

The NATIONAL UNDERWRITER



THE CRUM & FORSTER GROUP



FINANCIAL STATEMENTS AS OF DECEMBER 31, 1954

ASSETS

	UNITED STATES FIRE INS. CO.	NORTH RIVER INS. CO.	WESTCHESTER FIRE INS. CO.	U. S. BRANCH WESTERN ASSURANCE	U. S. BRANCH BRITISH AMERICA	SOUTHERN FIRE INS. CO.
Cash in Banks & Trust Companies	\$ 8,882,644	\$ 4,053,093	\$ 3,950,563	\$ 904,441	\$ 533,367	\$ 819,177
★ United States Government Bonds	36,908,816	19,905,120	19,926,605	6,931,823	3,701,674	2,388,736
★ Other Bonds	16,422,150	8,080,358	9,112,363	1,278,895	716,220	799,324
★ Stocks	44,529,695	29,259,270	29,772,345	1,108,403	1,323,504	1,975,439
Mortgage Loans on Real Estate	3,859	5,900	10,804	0	0	0
Real Estate	112,590	0	0	0	0	0
Premium Balances Receivable (Not over three months due)	3,394,990	1,883,629	1,697,854	388,533	202,104	241,504
Interest and Real Estate Income Accrued	227,533	118,365	151,621	24,272	13,847	12,016
Other Assets	2,555,861	688,412	2,086,614	169,467	80,847	89,158
Total Admitted Assets	\$113,038,138	\$63,994,147	\$66,708,769	\$10,805,834	\$6,571,563	\$6,325,354

LIABILITIES

Reserve for Unearned Premiums	\$ 37,863,757	\$19,399,320	\$21,142,469	\$ 3,716,050	\$2,038,636	\$2,521,253
Reserve for Losses and Loss Expenses	10,848,316	6,103,621	7,072,634	1,391,790	742,699	730,715
Reserve for Taxes and Expenses	2,328,536	1,424,700	1,583,000	377,500	199,000	177,240
Reserve for All Other Liabilities	2,223,102	846,802	1,243,414	209,895	104,010	41,066
Capital	3,000,000	2,000,000	2,000,000	†500,000	†500,000	750,000
Net Surplus	56,774,427	34,219,704	33,667,252	4,610,599	2,987,218	2,105,080
Surplus to Policyholders	59,774,427	36,219,704	35,667,252	5,110,599	3,487,218	2,855,080
	\$113,038,138	\$63,994,147	\$66,708,769	\$10,805,834	\$6,571,563	\$6,325,354

* Bonds and Stocks are valued in accordance with the basis adopted by the National Association of Insurance Commissioners.

Securities in statements include amounts deposited with various states, as required by law, in the following amounts: United States Fire, \$4,533,536; North River, \$3,475,523; Westchester Fire, \$3,438,237; Western Assurance, \$1,188,935; British America, \$1,140,268; Southern Fire, \$512,658.

On the basis of December 31, 1954 market quotations for all bonds and stocks owned, the Total Admitted Assets and Surplus would be increased by the following amounts: United States Fire, \$399,634; North River, \$50,022; Westchester Fire, \$2,152; Western Assurance, \$2,287; British America, \$4,806; Southern Fire, \$18,848.

† Statutory Deposit.

CRUM & FORSTER, MANAGER

110 WILLIAM STREET • NEW YORK 38, NEW YORK

WESTERN DEPARTMENT
FREEPORT, ILLINOIS

PACIFIC DEPARTMENT
SAN FRANCISCO, CALIFORNIA

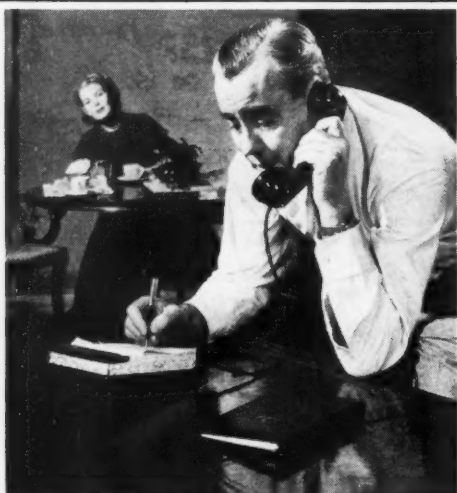
SOUTHERN DEPARTMENT
ATLANTA, GEORGIA

VIRGINIA-CAROLINAS DEPARTMENT
DURHAM, NORTH CAROLINA

ALLEGHENY DEPARTMENT
PITTSBURGH, PENNSYLVANIA

THURSDAY, MARCH 31, 1955

REPORT ON STATE FARM / Claim Service



EVERY STATE FARM AGENT stands ready day or night to aid policyholders or other claimants. Each agent is pledged to treat every member as a personal client. State Farm members like this because they know that in times of emergency, no matter where, a friend is as close as a telephone.



STATE FARM'S FILES are full of cases where the agent has rendered service beyond the call of duty. Member after member has written to State Farm in high praise of agents who have done everything humanly possible to allay fear and offer aid and comfort at the time of an accident.



TO EXPEDITE HANDLING of claims, every State Farm agent performs these vital jobs: he helps in making out the claim report; he inspects damages; he aids in getting estimates and arranging for repairs. Car owners like this service because it assures them of competent help, relieves them of troublesome details.



ALL POLICYHOLDERS' SETTLEMENT CHECKS are delivered by a State Farm agent. This gives the agent an opportunity to get to know the member and his family in his home. It helps him to be accepted as a personal friend and counselor. And this is mighty important for an agent who sells life insurance and fire insurance, too.

THE "PERSONAL TOUCH"

HOW STATE FARM KEEPS ITS CLAIM SERVICE READILY AVAILABLE, FAST, FAIR, AND FRIENDLY.

As the pictures show, State Farm's 7,500 agents play a big role in giving car owners fast, efficient claim service. Equally important, they help keep this service on a friendly personal basis.

Backing up each agent are experts from State Farm's 1,000-man claims staff—the largest full-time salaried staff of adjusters in the auto insurance business. These experts handle all in-

vestigations, approve all settlements. They work only for State Farm. Their constant aim: pay a dollar when a dollar is due.

This unique agent-adjuster set-up works extremely well. Each State Farm member who receives claim service gets an "after the fact" postcard questionnaire in the mail. Month after month, 98 percent of respondents report service is *highly satisfactory*.

And we think this helps explain why more motorists insure their cars with State Farm Mutual than with any other insurance company in the world.

This is another in a series of advertisements to acquaint you with State Farm Mutual Automobile Insurance Company, Home Office: Bloomington, Illinois. If you want to know more about State Farm's claim service or the Company, simply write: "Director of Public Relations."



New Auto Liability and PHD Policies Go Into General Use

No Description of Passenger Car, Collision on Borrowed Autos Among Major Changes

New standard automobile provisions, both liability and physical damage, go into effect April 1. National Bureau of Casualty Underwriters has filed new basic liability provisions, National Automobile Underwriters Assn. new physical damage provisions, and the two organizations jointly have filed a combination policy. Mutual Insurance Rating Bureau has made similar filings. There are also new schedule and comprehensive automobile liability policies. The garage liability policy is not being changed materially at this time, but there is an amending endorsement incorporating a number of changes, principally editorial, which many companies will undoubtedly work into new policies as they are printed. The new policies are effective in all states and territories April 1 except the casualty policy in Massachusetts and Virginia and PHD in Virginia.

Mechanically, two important changes are the incorporation of extended medical payments into the policy as an optional coverage, thus eliminating the use of an endorsement, and the elimination of a description of the insured automobile if it is a private passenger car and only liability and medical payments insurance is written. This feature is optional, but it is assumed that practically all companies will authorize it. There is a new provision in the declarations for indicating the number of private passenger automobiles owned by the insured and his spouse. Also, as to liability and medical payments insurance, no notice is required if an automobile—private passenger or any other type, described or not—is traded in and replaced during the policy period. Additionally acquired automobiles still require notice within 30 days. For physical damage insurance, a description of the automobile is still required and there is still the 30 day limit on automatic coverage of replacing automobiles.

Louisiana Insurance Rating Commission has approved the new automobile policy, effective April 1, except for the option to write liability insurance on private passenger cars without a description of the automobile.

From a viewpoint of coverage, probably the most important change is the extension of the drive other cars feature to include collision insurance. Casualty changes include extension of property damage liability protection to include liability for damage to rented residences and garages, broadening of the trailer coverage and removal of some restrictions in the drive other cars feature.

In the combination policy, the drive other cars or "use of other automo-

(CONTINUED ON PAGE 28)

Agenda Ready for NAIA Directors at Wichita April 18-20

The agenda for the meeting of National Board of State Directors of National Assn. of Insurance Agents at its midyear meeting in Wichita April 18-20 has been completed.

There will be a report on independent filings by H. Earl Munz, Paterson, N. J., chairman of the property insurance committee. Everett North of Billings, Mont., and Charles A. Dawson will discuss the application of Saskatchewan Guarantee & Fidelity to do business in various states, and L. P. McCord of Jacksonville, Fla. will discuss Caisse Centrale de Reassurance of Paris.

George S. Hanson of NAIA headquarters staff will talk on taxation of insurance agents' commissions under sections 452 and 462 and on personal holding company penalty tax.

John F. Neville, executive secretary and general counsel, will deal with the brokers' minimum qualification licensing bill. John C. Stott of Norwich N. Y., chairman, will report for the public relations committee. Joseph A. Neumann of Jamaica, N. Y. will report as chairman of the special committee on automobile insurance.

George R. Cross of NAIA will talk about the annual convention in Los Angeles Oct. 3-5. Maurice G. Herndon, manager, will report on the NAIA Washington office.

Other reports will be made by Charles S. McNew of Pine Bluff, Ark., finance committee; Robert Maxwell, Texarkana, commissioners' midyear meeting in New York; Earnest F. Young, Charlotte, N. C., educational

Get Rehearing in Multiple PDL Case

The U. S. Court of Appeals in Georgia has set aside its judgment in Saint Paul-Mercury Indemnity vs. Rutland and a hearing has been granted to reconsider the suit. The case involved a collision between a freight train made up of cars belonging to several owners and a truck insured by Saint Paul-Mercury Indemnity.

The court in its earlier decision found that the phrase "each accident," limiting the amount of coverage for property damage liability, was to be interpreted in light of the persons whose property was damaged. On this reasoning, the court held that the single collision in which 16 freight cars were damaged constituted a series of separate accidents. The court concluded that the \$5,000 PDL limitation on each accident was to be applied to each owner whose property was damaged.

The new order setting aside the earlier judgment was issued after the Saint Paul-Mercury filed a petition for rehearing and the Assn. of Casualty & Surety Cos. filed a brief as friend of the court. The association was represented by James B. Donovan of the New York law firm of Watters & Donovan.

committee; Kenneth A. Young, Blue Earth, Minn., rural and small lines agents; Ralph D. Callister, Salt Lake City, dues allocation; and J. Vernon Coblenz of Frederick, Md., committee to review the minutes of the executive committee.

There will also be a report on the study of federal crop insurance, and reports on the territorial conferences.

Mutual Agents Hold National Midyear Meet at Dallas

Record Breaking Attendance Airs Comments on Agency Problems, Business Future

DALLAS—Frank discussions of agency problems and the future of mutual insurance highlighted the record-breaking 10th midyear meeting of National Assn. of Mutual Insurance Agents at Dallas, March 28-30.

In general the agents showed deepest concern over appointment of unqualified producers and competition, especially of direct writers, and some urged a continuing joint advisory council of companies and agents to handle such problems and relations. The company spokesmen pointed to the need for expansion and growth.

The meeting consisted of three general sessions, with President J. F. Montgomery presiding, an opening luncheon, various forms of entertainment and a concluding banquet. Midway through the convention, which was the first the association has held in Texas, registration was 684, more than 100 above the previous high.

Chase M. Smith, general counsel of Lumbermens Mutual Casualty, in his address entitled "The Future Outlook for Mutual Insurance" related some of the record of progress of the mutuals to illustrate what the future might have to offer.

Not only have the mutuals had a tremendous increase in premium volume, Mr. Smith said, but their proportion of the total business written has increased commensurately. In 1913, mutuals did only 7.7% of the total fire and casualty business, increasing to 10.5% in 1923, 16% in 1933, 22.1% in 1943 and 23.9% in 1953.

Commenting on the competitive situation, Mr. Smith said there was a time when an agent could put business on the books and then coast along and make a comfortable living. The mutual people might even have a stronger temptation to do this because "in the mutual business the permanence of the relationship between company and policyholder is naturally greater, and a part of this is due to the fact that the cost of insurance is usually less and thus the policyholder is immunized against the competition of a large part of the industry."

On the other hand, he cautioned, there are stock companies which are imaginative and do not have idle representatives. The proportion of business which will stay on the books by automatic renewal and without any personal service, or without the policyholder receiving any assurance that his agent is giving him the benefit of new ideas and improvements, or the opportunity to lower the cost of insurance, is getting less all the time. The rewards, Mr. Smith said, will come to

(CONTINUED ON PAGE 33)

Late News Bulletins . . .

NYFIRO to File Homeowners Policies

The governing committee of New York Fire Insurance Rating Org. at a meeting this week authorized the bureau to file the homeowners policies in New York. This follows recommendation by Inter-Regional Insurance Conference a couple of weeks ago for such action. National Bureau and Inland Marine Insurance Bureau also are filing the homeowners.

Three Lines in NAIC Blank Consolidated

NEW YORK—The National Assn. of Insurance Commissioners blanks committee at its meeting here voted to supersede three lines that appear in various premium and loss exhibits in the annual statement blank, superseding lines 3-5 inclusive with a single line, no. 3, to be labeled "Other allied lines." This would take the place of line 3, currently designated "Tornado, windstorm, cyclone, hail (except growing crops)," line 4, "Sprinkler leakage and water damage," and line 5, "Explosion, riot and civil commotion." The reason for lumping lines 3-5 into a single entry is that these coverages have largely disappeared as separately issued policies and are included in extended coverage etc. Lines would not be renumbered, lines 4 and 5 being left blank for writing in coverages not listed in the blank. Approved by a subcommittee but still to be acted on by the main committee at press-time were proposals to add extended coverage to schedule "O" to show the developed loss experience and to add a tabulation showing the ratio of resisted A&H claims in each state.

N. Y. Commission Regulation Bill Passes

The Kalish bill, which would permit insurers through voluntary and service organizations to establish commission rates payable to producers, and permit producers to act cooperatively on commissions, has been passed by the New York legislature and sent to the governor. Some producer organizations backed the bill. It is said that at least some among company ranks are not opposed to the idea of commission regulation of some kind, though there are observers who believe this measure would put commissions in the political arena.

E. B. Vickery Retiring, America Fore Names Miller at Chicago

Earle B. Vickery, secretary in charge of the Chicago and Cook county operations of the fire companies of America Fore, is retiring this week after more than 50 years in the business, and is succeeded by Arthur R. Miller, who has been with the group for 42 years.

Mr. Vickery marked his 50th year



Earle B. Vickery



Arthur R. Miller

with America Fore last October. He started with Niagara in 1904 as a re-insurance placer and became Chicago manager in 1917 after having served as an examiner and special agent. When America Fore took over Niagara in 1928, Mr. Vickery became secretary of all the fire companies.

He is a past president of Cook County Field Club, and served for five years as chairman of the Fire Insurance Patrol committee of the Chicago Board.

Mr. Vickery was born in England, and came to the United States in his early teens. His entire business experience has been with the Niagara and the America Fore group. Incidentally, he has a notable record as an inhabitant of the Insurance Exchange building in Chicago. Niagara was one of the first tenants, taking space in the building in 1912.

Tuesday morning the Cook county staff presented Mr. Vickery with a Polaroid camera and a handsome carrying case.

Mr. Vickery's son, E. B. Jr., is with Illinois R. B. Jones, Inc., Chicago, and recently announcement was made of his election as executive vice-president of that organization.

Mr. Miller started as an office boy with Continental in 1913, and six years later was appointed to the Ohio field. Later he served in Nebraska and Iowa, and finally in Illinois. While in the Illinois field as state agent, Mr. Miller was most loyal gander of Blue Goose and president of Illinois Fire Underwriters Assn. In 1951, he was transferred to the brokerage department in the Cook county department, and last year he was elected an assistant secretary of the fire companies. He now becomes full secretary in charge of the Cook county operations of the fire companies.

Fleet Coverage Urged on State Cars in Pa.

The insurance subcommittee of Pennsylvania Gov. Leader's advisory committee on state operations has recommended fleet insurance for some 4,000 of the state's 9,000 automobiles now covered by individual policies. The state could save \$125,000 a year in premiums by abolishing its individ-

ual policy system, the subcommittee reported.

It also recommended that a blanket position bond be utilized for the some 3,000 state employees who must be bonded. Such a move would result in annual savings of up to \$50,000. Individual bonds are purchased at present.

Pacific Board to Hold PR Parley April 4

The Pacific Board will hold its annual public relations conference April 4 at San Francisco. Among the speakers will be Donald B. Sherwood, assistant general manager of the National Board; Harry L. Bright, assistant vice-president of Pacific Telephone & Telegraph, and Herbert H. Kirschner, the Board's public relations counsel.

Other groups participating in the conference are officers and public relations representatives of the field organization, in the Pacific Coast territory; the National Board; California Assn. of Insurance Agents; Insurance Brokers Exchange of California, and Society of Insurance Brokers.

Voluntary UJ Sought by Va. Agents Assn.

On the recommendation of the automobile committee, Virginia Assn. of Insurance Agents is working toward the development of a voluntary unsatisfied judgment coverage. It will consult with National Bureau to develop such an endorsement to be added to the automobile liability policy. The plan will be submitted to the entire association, probably at the annual meeting June 13-15 at Roanoke.

The voluntary plan, the committee states, would not hold the danger inherent in New Jersey's fund, and it would be safer, politically and economically, than other methods advanced as solutions to the problem of the uninsured motorist.

President Albert E. Cox of Danville has written Virginia rating bureaus and the state corporation commission advocating approval of just one form of homeowners policy and of all physical loss form for dwellings instead of a multiplicity of forms.

The casualty committee of the association recommended that no attempt be made by the association to obtain payment of commissions on assigned risk workmen's compensation policies. The amount of commissions would be comparatively small and the inclusion of acquisition costs in the rate factors would cause an increase in rates, the committee pointed out.

Murray Agent Is 500th Member of Ky. Association

Harding Galloway of Murray is the 500th member of Kentucky Assn. of Insurance Agents, and will be specially recognized with a special plaque to be presented by President Guy Billington, also of Murray. Membership in the Kentucky association is at a new high.

Mr. Galloway has been in insurance for 6½ years. For two years he was special agent for Secured Casualty in Tennessee before opening his agency in Murray.

Comollo Gets New Post

Hall & Henshaw, New York City agency, has named Charles M. Comollo who has been with firm in a productive capacity, as special agent to succeed John B. Soule who has entered the local agency business, Mr. Soule was a field man for 12 years.

Hanna Tells Florida Bar of 'Unfortunate' A&H Legislation

John P. Hanna, managing director of Health & Accident Underwriters Conference told the Florida Bar annual convention in Miami Beach last week the basic reason for rapid progress in the A&H field is competition. This coupled with state legislation allowing maximum experimentation by companies has brought better and more health insurance to the public. "The insurance departments of the various states generally have done an outstanding job of regulating the business without interfering with experiments toward greater progress. Many experiments, considered fool-hardy by the industry generally, have provided the basis for sound advances," he declared. "Strangely enough, regulation in the public interest almost always turns out to be regulation in the best interest of insurance companies themselves."

He cited as "unfortunate" legislation and not in the public interest, the compulsory disability programs in four states and the California minimum benefits law. The federal trade commission's current probe of A&H advertising is also detrimental to the broad public interest.

"I am convinced current A&H advertising is conducted on a more accurate and ethical plane than any other industry," he said. The nature of the product requires this. Efforts toward further improvements should be continued.

"A responsible federal agency, such as the FTC should make every effort not to undermine public confidence in financial institutions which live by their promises of future performances. The evil which the generally misunderstood publicity does to the policyholders may well outweigh the evil which the FTC is trying to correct.

"Strangely enough, individual companies complained against have not experienced an unusual number of policy lapses or any unusual difficulty in obtaining new policyholders. It would seem that policyholders have not lost faith in their own companies as much as they have in the industry as a whole."

Mr. Hanna remarked that every company complained against would willingly have made changes in its advertising regardless of merit. There was no opportunity to consult with the FTC before the charges were made. He then discussed important legislative milestones in the development of A&H business.

Mr. Hanna challenged statements made by the government experts that voluntary health insurance wasn't developing fast enough. "The \$10-billion national medical bill contains many uninsurable items, or items which might better be budgeted.

"It is not in the public interest for health insurance to cover all medical-care costs from the trivial expenditures to the luxury services. A substantial portion of the \$10 billions is not necessarily appropriately covered by insurance, such as routine preventative care, dentistry, hadacol and aspirin," he said.

Reciprocal Bill in Missouri

A bill in the Missouri senate scheduled for final passage would require reciprocal companies now writing fire and A&H to increase their guaranty

funds from \$100,000 to \$400,000 by Dec. 31, 1959. Any new reciprocal would have to set up the \$400,000 guaranty fund immediately. The fund is in addition to other specified reserves.

Camden Advances Mills and Others

Camden Fire has promoted Allen M. Mills from vice-president to executive vice-president and F. Harman Chagwidden chairman of the finance committee, a post he will hold in addition to his duties as vice-president and treasurer.

In other promotions, Albert J. Bordeaux went from manager of the local department to assistant secretary and Malcolm S. Miller was named assistant treasurer in addition to his duties as manager of the accounting and statistical departments.

George H. Bell has sold the fire and casualty agency he operated for 42 years at Stayton, Ore., to John D. Davis, former director of the Washington department of employment security. Mr. Bell is retaining the real estate and life business of the firm.

The revision in the analytic system has been approved in Kentucky.

Highlights of the Week's News

- Public relations aspects of claim handling are developed by H. D. Combs at EAC meetingPage 12
- Richard E. Farrer says mass marketing is here for insurancePage 1
- What Hurricane Hazel did to insurers is shown in extended coverage figures in North CarolinaPage 16
- James R. McWilliams sees automobile competition rising, suggests solutionsPage 13
- Property damage limit, severability of insured important auto changesPage 23
- Program ready for American Management Assn.'s insurance conference May 4-6Page 5
- Better Business Bureau receives 8,070 complaints, 118,472 insurance queriesPage 4
- Show 1954 business results in Illinois, starting onPage 21
- Massachusetts EC losses are five times premiums writtenPage 26
- All physical loss form for farm dwellings is introduced on Pacific CoastPage 1
- West Virginia EC figures show extent of Hurricane Hazel damagePage 30
- New Jersey agents hear details of unsatisfied judgment plan, discuss homeowners at mid-year meetingPage 3
- 1954 experience of insurers is givenPage 14
- Announce plans to organize \$20 million Freedom Ins. Co. in CaliforniaPage 11
- March 22 wind losses to reach \$10 millionPage 11
- Fireman's Fund to write excess lines in CaliforniaPage 10
- Interest and rights of agents seen a key issue in battle of Montana agents with Saskatchewan Guarantees & FidelityPage 10
- Program completed for convention of International Assn. of A&H UnderwritersPage 34
- Zurich to enter fire field with homeowners policiesPage 6
- Henry Moser of Allstate blasts those trying to stifle competitionPage 6
- President Crafts of Fireman's Fund issues statement on FTC complaint on his company's A&H adsPage 4
- Paid welfare fund broker \$1 million in A&H commissionsPage 31
- New auto liability and PHD policies go into general usePage 1
- Agenda ready for National Assn. of Insurance Agents directors April 18-20Page 1
- Get rehearing in multiple PDL case in GeorgiaPage 1
- Mutual agents hold midyear meeting at DallasPage 1
- Earle Vickery retires from America Fore post at Chicago; Arthur Miller succeeds himPage 2
- John Hanna reviews A&H legislation at MiamiPage 2
- Massachusetts court enjoins financial automobile coverage arrangementPage 36
- Placing business in unlicensed insurers draws fines in VirginiaPage 36
- Florida Agents to meet May 67Page 36
- Pan American plane loss is more than \$1.5 millionPage 36

500 at N. J. Midyear Hear Details of UJF, Discuss Homeowners

BY ELOISE WEST

ASBURY PARK, N. J.—New Jersey's unsatisfied judgment fund, which will go into effect April 1, and the way it will affect agents was the main discussion of the 500 persons attending the mid-year meeting of New Jersey Assn. of Insurance Agents here. W. Lewis Bambrick, supervisor of the unsatisfied claim and judgment fund board, Trenton, answered questions posed by the agents for nearly an hour the first afternoon of the meeting.

Commissioner Howell made his first official public appearance since he took office at the convention luncheon on the second day, after a morning of panel discussion on package policies for the homeowner by H. Earl Munz of Paterson, moderator Harry Perlet, general manager of Interbureau Insurance Advisory group; George V. Whitford, vice-president of Fire Association, and Arthur B. Guest of Philadelphia. William Brewster, manager of the automobile division of National Bureau of Casualty Underwriters, spoke on automobile casualty changes.

Harry G. Mather of Trenton, president of the association, was in charge of the business meeting and introduced the speakers. Also on the dais was John S. Sheiry of Bridgeton, chairman of the executive committee; Mr. Munz, state national director, and Charles J. Unger of Newark, executive secretary. Henry A. Franz of Clifton was chairman of the convention committee assisted by Milton H. Grannatt Jr. of Trenton and Frederick S. Hyers of Morristown. Ernest L. Martin, president of Monmouth county association, welcomed the delegates and guests for the host association.

Agents are going to be asked to help ascertain the eligibility of their clients for unsatisfied judgment claims, Mr. Bambrick said. The UJF board will be glad to have them impress the seven rules of eligibility on their clients and that the notices of intention to press for claims must be filed within 30 days after the accident if the injured person is physically able to do so.

Before a person can be eligible to receive a claim under the fund they must show that they are not covered by workmen's compensation for the injuries sustained, that they are not a spouse, parent or child of the uninsured motorist, they were not a passenger in the uninsured car, that they do not own the car which was uninsured, that they were not driving without a license, that the claim was filed within 30 days after the accident and that the liable motorist has no insurance.

The law gives the board the right to settle claims up to \$1,000, he said. It provides for a \$200 deductible on all claims. When a claim of less than \$1,000 is taken to the board, it must be shown that the claimant is not trying to collect for the benefit of an insurer—that is, that he carries collision cover on his car but is trying to collect for the property damage

from the fund—and that uninsured consents to the settlement being made.

Uninsured must consent because before he is able to get permission to drive again, he must repay the fund the amount of the judgment plus 4% interest or arrange to repay the amount in installments, he said.

After the notice has been received by the board it may assign the case to an insurer for investigation, which may elect to handle the claim through its own claim office, use the claim office of another insurer or use an independent claim office. It has been in-

dicated by most insurers that they will use the claim offices of General Adjustment Bureau which has been giving its men a week's training on the plan. Three GAB offices will be set up in the state with five men in each, he said, to handle investigations.

If the investigator recommends that the settlement be made, the fund will then do so, within the limits of the fund which are 5/10/1.

However, if uninsured refuses to accept the settlement, then the injured party must take recourse in

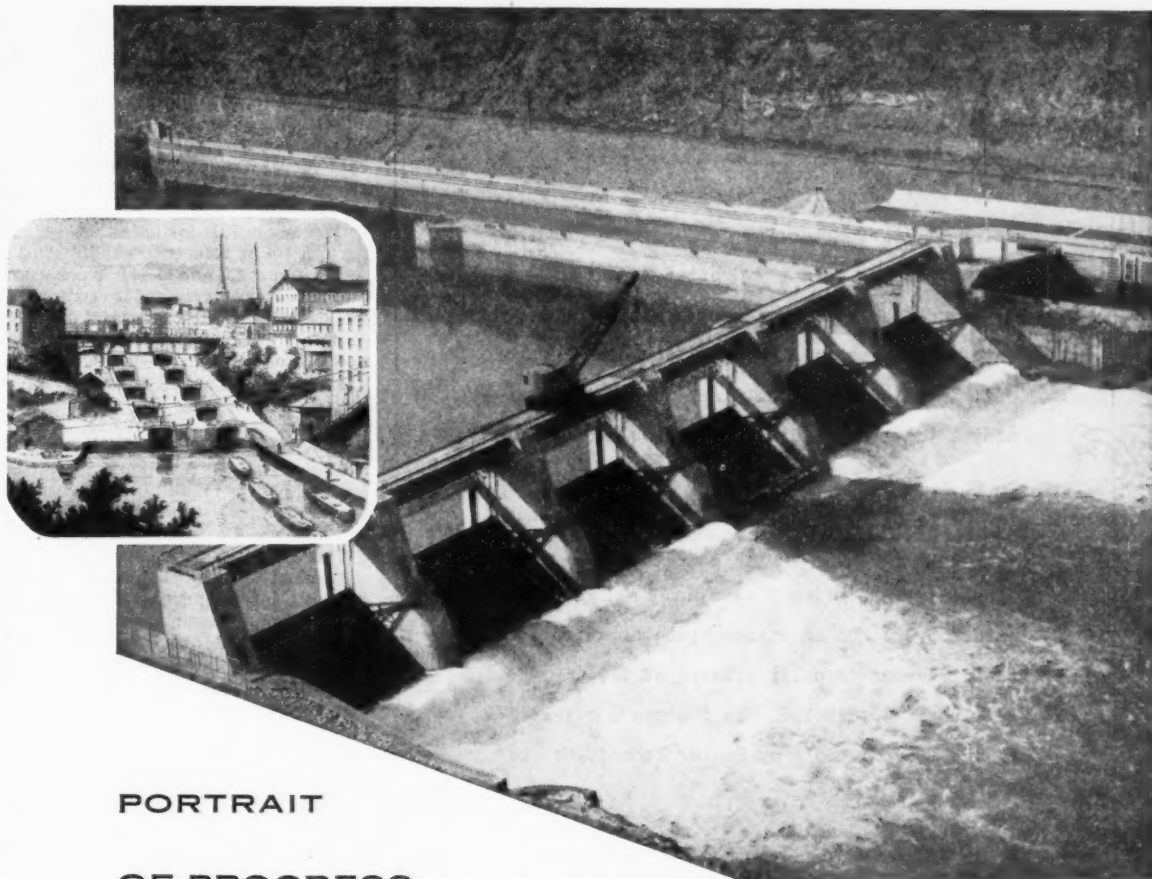
legal proceedings and apply for an order to the UJF to pay the claim. The claimant must also attempt to show he has tried to satisfy the judgment.

In hit and run cases the claimant must also attempt to show he has tried to satisfy the judgment.

In hit and run cases where the liability is not determined the injured person must apply to the court for permission to sue the state treasurer. Liability limits for such cases are 5/10.

The board which will administer the fund and handle small cases be-

(CONTINUED ON PAGE 31)



PORTRAIT
OF PROGRESS

On a cool and brilliant November morning in 1825, an elaborate aquatic procession completed its journey from Albany to the Sea, a keg of lake water was poured into the Atlantic and the cannon at Fort Hamilton announced the official opening of the Erie Canal, first of a long series of internal waterway projects destined to bring the production of our mid-west to the markets of the world.

As the nation's commerce grew and other waterways were developed, Chubb & Son acquired broad experience and knowledge of insurance requirements which enabled it to write increasingly broader coverage. We are proud of our record of "Serving the Leaders" in this field of American Industry and Commerce.

FEDERAL INSURANCE COMPANY

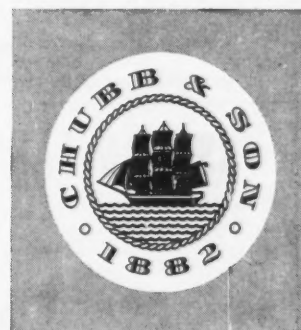
Into which has been merged, July 1953

UNITED STATES GUARANTEE COMPANY

CHUBB & SON

MANAGERS

90 John Street, New York 38, N. Y.



VIGILANT INSURANCE COMPANY • MARINE INSURANCE COMPANY, LTD. • SEA INSURANCE COMPANY, LTD.
THE LONDON ASSURANCE (Marine Dept.) • ALLIANCE ASSURANCE COMPANY, LTD.



From the diary of an Agency Secretary

Funny what being in business can do to a girl. Before I started working for Mr. L, I hardly knew a surplus from a "surplice," and a dividend—that was something somebody poured into your glass at a party if you didn't watch out! Well, I still can't say an annual statement's just the reading a girl would choose to curl up with. But I can understand how Mr. L feels. Today, for instance, PLM's 60th annual statement booklet came in. "Whew! Look at these figures, Ellen," said Mr. L. "PLM's paid \$35,092,283 in losses since organization, and dividends to policyholders of \$20,669,451. Surplus is \$8,319,796. My Stetson's off to PLM!" I said: "So's my Easter bonnet, Mr. L!"

MR. LOCAL AGENT

PLM will be happy to send you its complete 60th Annual Statement booklet. It is further proof of the added strength and increased capacity this old but modern-minded company can contribute to your office. Why not get in touch with us about representation?



Pennsylvania Lumbers Mutual Insurance Company

Market Street National Bank Bldg., Philadelphia 7, Pa.

Writing FIRE and ALLIED LINES "In the Birthplace of American Mutual Insurance"



OSBORN-LANGE-STEPHENSON, INC.

INSURANCE

Correspondents of

Lloyd's, London

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223 West Jackson Blvd.

H. F. NOTTELMANN
Cable Address "Bornos"
Chicago 6, Ill.

BBB Receives 8,070 Complaints, 118,472 Insurance Queries

Better Business Bureaus in the U. S. and Canada received 118,472 inquiries plus 8,070 complaints about various lines of insurance in 1954. These 126,542 instances of service placed insurance first in the bureau's financial category with 39% and third in its top ten business classifications, for the second year, with 6.3% of the whole.

There were 66,767 instances of service performed in connection with A&H, of which 62,538 were inquiries and 4,229 were complaints. The bureau attributed this volume to public confusion over advertising and selling claims and policy provisions. A sharp rise was caused by Federal Trade Commission's publicized investigation of A&H advertising claims.

Of the 30,731 instances of service performed in reference to life, 29,320 were inquiries and 1,411 were complaints. There were 2,430 complaints and 26,614 inquiries, or a total of 29,044 instances of service, performed in connection with casualty, surety and fire.

Although the actual total number of instances of service increased on all lines of insurance from 103,297 in 1953, its percentage of the financial category total decreased a few points. Inquiries and complaints on all business categories rose to an all-time high of 2,005,288 in 1954, or a 6% increase over 1953.

There was a slight increase in instances of service performed on life, casualty, surety and fire, but the major jump in inquiries and complaints took place in the A&H field where a 44% rise—mostly inquiries—was recorded. The ratio of inquiries to complaints for insurance remained the same, 92% to 8%.

The BBB, scanning several hundred thousand advertisements and commercials in 1954, found it necessary to investigate and act on less than at any time since World War II. Thirty-six insurance advertisements required contact with advertisers. Sixteen dealt with A&H, 13 with life and seven with casualty, surety and fire. One life advertisement and one for A&H were referred to authorities.

Twenty-nine of the 36 advertisements appeared in newspapers. There was one television and two radio commercials, two magazine advertisements and two in other media.

Higher EC Rates Step Up Demand for Installment

One effect of the rate increases in extended coverage in the eastern seaboard states hit by Hurricanes Carol, Edna and Hazel is to increase the pressure on producers to use the installment plan. With an EC premium higher in some areas than the fire insurance cost, the combined premium, especially for young couples buying their first house, is such as to require financing.

Cuts Rates on Public Buildings

Farm Bureau Mutual Fire of Columbus has cut rates on public buildings by 11% in Connecticut, Rhode Island, Delaware and District of Columbia.

Hartford Mutual to Mass.

Hartford County Mutual Fire, which was founded in 1831, has been licensed in Massachusetts, the first time it has gone outside the borders of Connecticut. It is developing an agency plant in western Massachusetts, with John Eliot of Clinton in charge. Mr. Eliot

formerly operated the Eliot agency at Clinton from 1932 to 1942 when he entered the navy. From 1949 to 1951 he was special agent of Central Mutual in the New England territory. He joined Hartford County Mutual in 1951.

Conn. Agents Approve Anti-Government Insurer Bill; Others Reviewed

The legislative committee of Connecticut Assn. of Insurance Agents has declared its stand on major bills before the general assembly, many of which it has approved, including one that would prohibit any insurer owned or controlled by a foreign government from being licensed in the state.

Other bills it has approved would: Prohibit the sale of automobile insurance by all persons or finance companies selling cars on the installment plan.

Change the so-called controlled business law to make it necessary for an agent to write 90% of his business on members of the public and only 10% on property he owns or on that of his employer or a corporation he controls.

Provide that resident agents receive one-half of the commission on all policies brokered in the state by non-resident agents or brokers.

Eliminate coverage under liability insurance for claims between spouses unless such coverage is expressly provided.

Assure the right of the payer of premiums for insurance required by statutes to designate the insurer, agent or broker.

Provide permanent agents' licenses. Legislation the committee opposes would:

Require automobile dealers and finance companies to sell B. I. and P. D. L. insurance in case of an installment contract covering the sale of a motor vehicle.

Require compulsory automobile insurance.

Require compulsory auto B. I. and P. D. L. insurance on all commercial motor vehicles.

Provide for the establishment of rates for insurance against wind damage on a zone basis, with the rates reflecting the incidence of damage within each zone.

Provide for contributory negligence. Provide for compulsory non-occupational disability insurance.

United Pacific Names Schoffstall

W. Ralph Schoffstall has been named supervisor of fidelity, burglary, public official and miscellaneous surety lines at the home office of United Pacific. Mr. Schoffstall started in fidelity and surety with Union Indemnity 34 years ago, later joining National Union Indemnity. He was with Central Surety at Kansas City for 23 years, most recently as assistant secretary, before joining United Pacific.

INSURANCE COMPANIES Bought and Sold

Contact us regarding either the sale or purchase for CASH of the capital stock or management contracts of insurance companies. All negotiations confidential.

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Program Ready for Buyers Conference

The major problems of the corporate insurance buyer—coverage, capacity, rates and regulation—will be discussed at American Management Assn.'s insurance conference May 4-6 in New York. More than 1,000 insurance managers from over the country are expected to attend.

The opening day will be devoted to the problems of communication. Stuart Chase, author and economist, will speak on the power of words at the concluding luncheon May 6.

On the second day speakers will review developments in regulation, rates, and multiple line underwriting and probe problems of coverage and capacity. The final morning will be devoted to a forum, at which the same speakers will answer audience inquiries.

Insurance regulation will be the topic of Maurice Herndon, Washington representative of National Assn. of Insurance Agents. He will summarize developments in regulation over the past ten years and outline possible changes in federal policy in the light of state activities in this area.

Alfred J. Bohlinger, former insurance superintendent of New York, will cover the theory of rate making, how rating bureaus operate, and the states' responsibility for seeing that rates are fair. He also will evaluate the probable effects of current competition on future rate patterns.

Another speaker will tell what is happening in multiple line underwriting.

Problems of coverage and capacity will be discussed by a panel of executives from insurers. They will describe what is happening in the fire, casualty, and reinsurance fields and explain what additional cooperation insurers would like from insured. Finally, they will take up some of the questions most frequently asked by buyers, for example: Can insurance contracts be simplified? Do rating organizations

overlap? If so, what can be done about it? How can capacity be found to meet maximum coverage requirements of large industry? Is it feasible to renew all lines of coverage by certificate?

At the opening session of the conference William R. Kelly, manager of sales promotion of Sinclair Refining Co., New York, will offer some advice on how to present ideas. He will suggest how reports can be made clearer, more interesting, and more productive; how important items can be spotlighted; how charts and graphs can be used to best advantage; how to select the

appropriate tools of expression for the different levels of management.

Herbert T. Blood of Boit, Dalton & Church agency of Boston, will study communication between buyer and broker-agent from both points of view, suggesting how they can keep each other informed of needs and difficulties and how information can be transmitted without confusion.

Another panel will take up ways of getting maximum value from employee benefit programs. Frazier Wilson, manager of the insurance division of United Air Lines, and E. Sidney Willis,

manager of employee benefits planning of General Electric Co., New York, will tell how their companies merchandise the benefit package to employees and how the results in employee understanding and appreciation justify the expenditure. C. Manton Eddy, vice-president and secretary of Connecticut General Life, will show how the insurer can aid in stimulating employee recognition of benefits.

Henry Anderson, manager of the insurance department of American Broadcasting-Paramount Theatres, will preside at the opening session.

Business Established 1842

THE ATLANTIC COMPANIES

Marine, Fire and Casualty Insurance

CONDENSED STATEMENTS AS OF DECEMBER 31, 1954



Atlantic Mutual Insurance Company

From report made to the New York State Insurance Department

ADMITTED ASSETS

Cash in Banks and in Offices	\$ 4,725,372	
Securities:		
United States Government	\$20,944,168	
Other Bonds	4,269,755	
Preferred Stocks	4,230,296	
Common Stocks	11,736,728	41,180,947
Stock of Centennial Insurance Company (owned 100%)	4,499,528	
Real Estate (Home Office Building)	3,500,000	
Premiums Receivable not over Three Months Due	2,036,208	
Other Assets	2,226,864	
Total	\$58,168,919	

LIABILITIES

Reserves:		
Claims and Claims Expense	\$12,004,638	
Unearned Premiums	12,872,004	
Expenses and Taxes	2,742,230	
Reinsurance in Non-Admitted Companies	177,076	
Miscellaneous	711,463	\$28,507,431
Cash Dividends Declared but not Due	2,058,899	
Other Liabilities	2,951,731	
Total	\$33,518,061	
Reserve for Fluctuation of Security Values and other-Special Reserves \$ 6,721,972		
Voluntary Reserve	7,928,886	
Guaranty Fund	3,000,000	
Surplus	7,000,000	
SURPLUS AS REGARDS POLICYHOLDERS	24,650,858	
Total	\$58,168,919	

United States Government Bonds carried at \$751,144 are deposited for purposes required by law.



Centennial Insurance Company

From report made to the New York State Insurance Department

ADMITTED ASSETS

Cash in Banks and in Offices	\$ 2,827,468	
Securities:		
United States Government	\$ 9,800,526	
Other Bonds	1,867,301	
Preferred Stocks	161,000	
Other	10,000	11,838,827
Premiums Receivable not over Three Months Due	1,321,459	
Other Assets	907,717	
Total	\$16,895,471	

LIABILITIES

Reserves:		
Claims and Claims Expense	\$ 3,372,029	
Unearned Premiums	4,059,928	
Expenses and Taxes	543,900	
Reinsurance in Non-Admitted Companies	646,371	
Miscellaneous	29,004	\$ 8,651,232
Other Liabilities	3,744,711	
Total	\$12,395,943	
Voluntary Reserve	\$ 730,600	
Capital	1,500,000	
Surplus	2,268,928	
SURPLUS AS REGARDS POLICYHOLDERS	4,499,528	
Total	\$16,895,471	

United States Government Bonds carried at \$1,098,330 are deposited for purposes required by law.

Trustees—Directors

FRANKLIN B. TUTTLE Chairman of the Board	MILES F. YORK President	SETH C. HETHERINGTON Executive Vice-President	WILLIAM D. WINTER Chairman of the Executive Committee	J. ARTHUR BOGARDUS Chairman of the Finance Committee
ELLSWORTH BUNKER President American National Red Cross	JOSEPH P. GRACE, Jr. President, W. R. Grace & Co.	THOMAS A. MORGAN New York	J. BARSTOW SMULL Partner, J. H. Winchester & Company	BENJAMIN STRONG President, United States Trust Co. of New York
GEORGE A. BUTTS President, Winslow Bros. & Smith Company	E. ROLAND HARRIMAN Brown Brothers Harriman & Co.	THOMAS I. PARKINSON New York	MARVIN PIERCE President, McCall Corporation	ALAN H. TEMPLE Executive Vice-President, The National City Bank of New York
JOHN B. CLARK Chairman of Board, Coats & Clark Inc.	J. B. S. JOHNSON Chairman of Board, Otis, McAllister & Company	MAX J. H. ROSSBACH J. H. Rossbach & Bro.	JOHN C. TRAPHAGEN Chairman of Board, The Bank of New York	LANGBOURNE M. WILLIAMS President, Frederick Sulphur Company
WILLIAM M. CRUIKSHANK Honorary Chairman of Board, Cruikshank Company	RICHARD H. MANSFIELD Associate of John D. Rockefeller, Jr.	GEORGE M. SCHURMAN President, The National Bag Corporation	JOHN E. SLATER President, American Export Lines, Inc.	CHARLES T. WILSON Chairman of Board, Charles T. Wilson Company, Inc.
CLEVELAND E. DODGE Vice-President, Phelps Dodge Corporation	JOHN H. McFADDEN, Jr. Gen. H. McFadden & Bro.	JOHN SLOANE Chairman of Board, W. & J. Sloane	WILLIAM JAY SCHIEFFELIN Honorary Trustee of Atlantic Mutual	
WILLIAM F. C. EWING Chairman of Board, Alexander Smith, Inc.	CLARENCE G. MICHALIS Chairman of Board, The Seamen's Bank for Savings			
	JUNIUS S. MORGAN Vice-President, J. P. Morgan & Co., Inc.			

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Cincinnati • Cleveland • Columbus • Detroit • Grand Rapids
Indianapolis • Milwaukee • St. Louis

PACIFIC DIVISION { Division Office: 361 California Street, San Francisco
Los Angeles • Portland • Seattle

W. Va. Law Gives FTC Powers to Commissioner

New legislation passed in West Virginia defines and makes unlawful unfair competitive methods and deceptive practices in the insurance business, and gives the state insurance commissioner authority similar to that exercised by the federal trade commission. Another new law bases group insurance coverage arranged by a county board of education upon a request from a majority of all full-time teaching and non-teaching employees at least 18 years of age.

State Farm F. & C. Elects Coleman, Hiser Directors

Fletcher B. Coleman and E. L. Hiser have been elected directors of State Farm Fire & Casualty. At a subsequent meeting of the directors, Mr. Coleman was elected a vice-president of the company. He is also vice-president of State Farm Mutual Automobile, and Mr. Hiser is agency manager for the group in McLean county, Ill., and is a director and executive committee member of State Farm Mutual.

Maercklein Elected in Mich.

Grand Rapids Casualty & Surety Assn. has elected Richard G. Maercklein, Zurich, as president; Mack Howard, Great American, vice-president; Otto DeRegnacourt, Ohio Casualty, secretary, and Roy Brown, Aetna Casualty, treasurer.

Zurich to Enter Fire Field with Homeowners Cover

Zurich and American Guarantee have announced their intention to enter the general fire business, and the initial policy will be homeowners coverage. The companies have become subscribers to Multiple Peril Insurance Rating Org. and are now filing homeowners policies A, B and C.

Both Zurich and American Guarantee are multiple line companies but they have not been writing fire except for auto physical damage.

Brady Goldsmith, who has been vice-president of National Union, is superintendent of the Zurich-American fire department and will direct development of the new fire operations na-



Brady Goldsmith

tionally. His headquarters will be at the head office in Chicago. He entered insurance in 1920 with the general agency of A. H. Turner at Atlanta. In 1932 he joined National Union in the southern department as an examiner, becoming agency superintendent in 1938, assistant secretary in 1943, secretary in 1946 and vice-president in 1951.

Republic Casualty of Ky. Has New Line of Policies

Republic Casualty of Louisville, the successor to Kentucky Hospital Service Assn., is expanding its territory and it has brought out some new policies.

The new line is entitled the "Gold Seal Plan," and offers hospital benefits up to \$25 a day and surgical benefits up to \$300. Formerly, the company had a maximum of \$10 for hospital and \$150 for surgical. Within the next few months it plans to enter several midwestern and southern states.

New England Fire Rating Assn.'s Portland, Me. office has moved to new offices at 434 Congress street.

Moser Blasts "Segments" of Business Seeking to Eliminate Competition

Henry S. Moser, general counsel of Allstate, in an obvious allusion to the efforts of New York Fire Insurance Rating Organization to have the dwelling fire filing of Allstate dismissed in New York on the grounds that it is "inadequate, unreasonable and unfairly discriminatory," said in an address before Miami Law Institute last week he "cannot believe that any company which seeks to sell a standard product at a lower price will be denied the right to do so."

Mr. Moser said efforts are being made by "segments" of the fire business to stifle competition, and added his hope "that these forces are not so committed . . . that they are willing to accomplish their ends at the expense of destroying our present insurance regulatory system."

Efforts to eliminate competition are becoming more sophisticated, Mr. Moser asserted, and the latest is to achieve this end through "subversion of state law rather than through the application of their own private sanctions."

"The history of this country, unlike that of the fire insurance business, is largely a history of competition—of a constant search to sell an improved product at a reduced price," Mr. Moser said. "I cannot believe that the consumer, the final arbiter, would force any company to charge more than necessary, especially when this course is urged upon him solely because of a desire by some to protect the outmoded principle of rate uniformity."

Texas Auto Rates Studied at Hearing at Austin

AUSTIN—The results of studies of premium income, loss ratios and classifications of automobile business in Texas were presented at the board of commissioners' annual rate hearing last week. All three members of the Texas board were on hand, and guests were the three members of the Oklahoma insurance board—Commissioner Hunt, Louis Woodruff and Ralph DuRoy.

The statistics were presented by Angus McDonald, casualty actuary of the Texas department, who covered the liability portion by territories, dividing the rate situation into BI and PDL.

For physical damage, rate decreases generally are indicated. Fire and theft combined for private passenger indicates a decrease of 7%, comprehensive a decrease of 4.7%, \$25, \$50 and \$100 deductibles, all a decrease of 6.8%.

There was mention of the assigned risk plan, which shows a loss ratio of 92.5%, and the idea was presented of doubling the surcharge. There was also a discussion of a \$750 minimum premium for fleets.

WUA to Convene Next Week at White Sulphur

Members of Western Underwriters Assn. will convene next week at White Sulphur Springs, W. Va., for their annual meeting. The governing committee will have a session April 4, and the general sessions are scheduled for April 5-7. Also on April 7 there will be meetings of Oil Insurance Assn., Underwriters Grain Assn., and Western Actuarial Bureau.

Western Underwriters Assn. celebrated its 75th anniversary last fall at White Sulphur. M. E. Peterson, western manager of Springfield F. & M., is president.

Crafts Issues Statement on FTC Complaint on Fireman's Fund A&H Ad

President James F. Crafts of Fireman's Fund group, whose company, along with National Casualty, was the first multiple line casualty insurer to be cited for false and misleading A&H advertising by federal trade commission, has issued a statement in connection with the citation, in which he says: "We would not intentionally jeopardize our reputation of 92 years' standing by engaging in the kind of activity now alleged by FTC."

Mr. Crafts says the objections of FTC are of a technical nature, and the material upon which the complaint is based is no longer in use and FTC was advised of this. Fireman's Fund officials, he said, were surprised that FTC would take action without affording the company an opportunity to review the criticism, because they had been assured by FTC that this would be done.

"Of our annual writings, less than 1% is in the A&H field," Mr. Crafts said. "We do not advertise by direct mail, or through the radio or television. All our business is transacted through licensed agents and brokers."

Fireman's Fund is the first member of Bureau of A&H Underwriters to be cited by the FTC, and the total complaints issued by the commission now number 28.

L. J. Ronder Named Chicago Manager of United Benefit Fire

Louis J. Ronder, who has been insurance manager of Continental Illinois National Bank of Chicago since 1935, has joined Stewart, Smith (Ill.) as Cook County manager of United Benefit Fire.

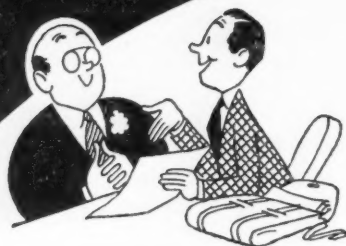
United Benefit has recently been licensed as a multiple line insurer in Illinois. The company has been operated by the Stewart, Smith organization since May, 1954.

Mr. Ronder, a graduate of Cooper Union, has been in the banking business since 1911, starting with Equitable Trust Co. of New York, he served with Equitable in France, where he enlisted in the army during the war. In 1925 Mr. Ronder went to Detroit as assistant-treasurer of Guardian Trust Co. and Guardian Detroit Co., and assisted in the formation of Guardian Detroit Bank and later the Union Guardian group of Michigan. He joined Continental Illinois in 1932 to supervise insurance operations. He has been a member of the insurance and protective committee of American Bankers Assn., and was chairman of a special committee on insurance of Illinois Bankers Assn. arranging for a welfare plan for staff members of participating Illinois banks.

For the last five years, Mr. Ronder has been treasurer of Mid-West Insurance Buyers Assn., of which he is a charter member.

Indiana Casualty Adjusters Elect Laswell President

Indiana Casualty Adjusters Assn. at its annual meeting elected Hale Laswell, Lumbermens Mutual Casualty, as president; W. K. Vandivier, Ohio Casualty, 1st vice-president; J. D. Harvey, Fidelity Mutual, 2nd vice-president, and John B. Joyce, Capitol Indemnity, secretary-treasurer.



"You want a Company that has paid substantial Dividends regularly?"

then you want

Worcester Mutual
FIRE INSURANCE COMPANY"

131 years of never paying less than 20% dividend on Fire Insurance premiums.



HOME OFFICE
29 Elm Street
Worcester, Mass.

Massachusetts' Oldest
Fire Insurance Company
Established 1823

Now Operating In:
Maine, New Hampshire, Vermont, Massachusetts, Connecticut, Rhode Island, New York, New Jersey, Pennsylvania, North Carolina, Virginia, Louisiana, Texas.

APL-Broad Forms for Farm Dwellings on Pacific Coast

SAN FRANCISCO—The Pacific Coast, which has been a proving ground for several of the broadened dwelling contracts which are now generally available, now has an all risks form for farm dwellings and a broad named perils for farm dwellings and contents. Farm risks are ineligible for these types of coverage in other territories, with the latest editions of broad and all risks dwelling forms in some states containing a provision to this effect.

The new contracts are the farm dwelling buildings all physical loss and the farm dwelling buildings and contents broad forms—both filed by Pacific Fire Rating Bureau. They follow their counterparts for ordinary private dwellings, but do not contain extensions covering trees, shrubs and plants or rental value and additional living expense. Further, specific coverage of these features is not permitted under the new endorsements. Both forms also omit outbuilding extensions, but specific cover may be written on private garages for passenger or pick-up type vehicles.

Filings were effective March 23 in Arizona, Idaho, Montana, Nevada and Utah. In California, the effective date was March 1. The new forms are not for use in Alaska or Oregon, nor, for the present, in Washington.

As with the regular dwelling build-

ings and contents broad form, the farm version for California differs from that of other states in that it includes coverage against accidental admission of rain, snow, hail, sand or dust directly to the interior of the building through defective roofs, leaders or spouting or through open or defective doors, windows, skylights, transoms or ventilators.

Publication of these forms seems to verify reports that the latest Inter-Regional Insurance Conference changes in the dwelling buildings and

contents broad form and the dwelling buildings all physical loss (special) form would be put off indefinitely in Pacific Fire Rating Bureau territory.

Cotton Association Marks 50th Year

Cotton Insurance Assn., the oldest underwriting group in the U. S., is celebrating its 50th anniversary this year. It was organized Sept. 1, 1905, to specialize in reporting forms for cotton merchants, compresses, warehouses, railroads and others. As the planting of

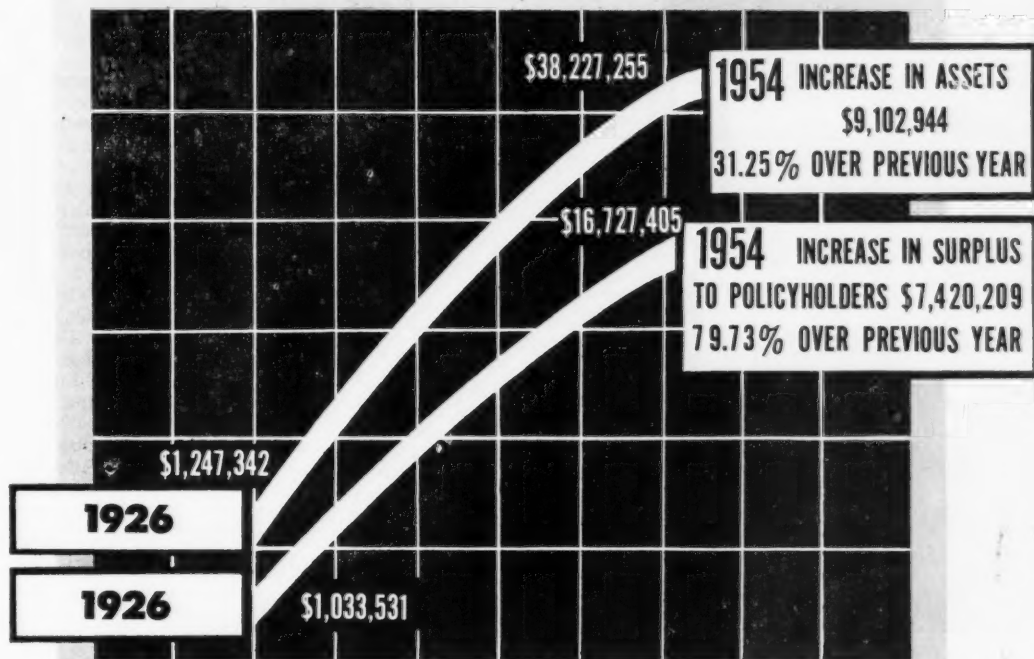
cotton moved westward, Cotton Association set up new offices all the way to the Pacific Coast and now has 10 branches.

The composition is entirely stock fire companies. In its 50 years, the association has paid out more than \$43 million in losses.

Stock Broker at L. A.

Paul H. MacGregor of the stock brokerage firm of E. F. Hutton Co., addressed A&H Managers Club of Los Angeles on "Outlook for Business and Stock Market." Mr. MacGregor's forecast was for industrial expansion and

NEW HIGH MARKS for GULF and ATLANTIC

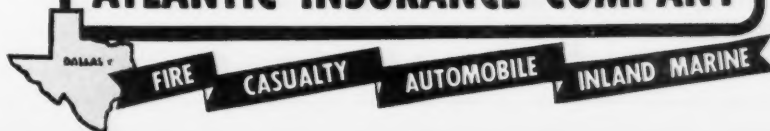


GULF & ATLANTIC GROUP is the largest Texas stock fire and casualty insurance organization —

**LARGEST ASSETS
LARGEST SURPLUS TO POLICYHOLDERS
LARGEST NET PREMIUMS WRITTEN**

We are firm believers in the AMERICAN AGENCY SYSTEM and could not have reached our present position without the help and support of our loyal agents. Consult your local agent on all insurance problems. He will prove to be your friend and counselor.

**GULF INSURANCE COMPANY
ATLANTIC INSURANCE COMPANY**



Ga. Boat Owners Sue

Saskatchewan for \$2,327

Two boat owners, John D. and C. H. Griffin, have filed a suit in Savannah city court for \$2,327 against Saskatchewan Government Insurance Office to collect a claim for damage to their shrimp trawler, "Bom Camino", which they contend the insurer refuses to recognize.

In their petition they claim their vessel was insured by Saskatchewan Nov. 25, 1953 when it was caught in a heavy storm 40 miles northeast of Key West. Before they could make port the wind tore loose the forepeak hatch and water flooded the engine room, the petition states.

A claim was filed with the insurer but after repairs to the boat were completed, the company refused to pay the cost, according to the petition.

The petition shows that the insurer has no agents or representatives in Georgia. It states the policy was purchased Mar. 16, 1953 through the Y. E. Hall agency of Fernandina, Fla.

Casualty and Surety Agents to Meet April 15-16

National Assn. of Casualty & Surety Agents will hold its annual business meeting April 15-16 at the Ambassador East hotel in Chicago. The program is being shaped up under the direction of President T. W. Earls of Cincinnati and the executive vice-president, C. F. J. Harrington.

Atlanta Insurer Develops Illustrated Auto Policy

American Southern of Atlanta has developed an illustrated automobile policy, gotten up with the help of a number of the company's agents. It employs pictures and larger than ordinary type. The new policy will be sold on a six month basis.



BOSTON INSURANCE COMPANY

EIGHTY SEVEN KILBY STREET • BOSTON • MASSACHUSETTS

*Three Ladies
From Hades!*

CAROL
EDNA
HAZEL

Their howling winds and pounding seas completely destroyed or irreparably damaged pleasure boats from the Carolinas to the Canadian midwest. Many owners have learned from sad experience that adequate Marine Insurance is a very necessary protection for their investment and pleasure.

The experience of the last few years shows that no territory is immune and that every boat owner should be fully insured. You can't do better than place these policies with either the Boston or Old Colony Insurance Company.



OLD COLONY INSURANCE COMPANY

EIGHTY SEVEN KILBY STREET • BOSTON • MASSACHUSETTS

Modernize Table for Liability Awards

The New York senate has passed and sent to the governor for his signature a bill that would amend the civil practice act to provide that in personal injury or death actions where the issue of the life expectancy of the person is involved, the court shall take judicial notice of the 1941 mortality table now used by the state insurance department.

The 1941 table, which is incorporated in the bill, was compiled by a National Assn. of Insurance Commissioners committee and has been adopted by most states.

Assemblyman Wilson, sponsor of the legislation, said that at present it is customary for the courts to take judicial notice of various mortality tables which are old and outdated, including the American experience table of mortality, most frequently used.

This table appears as an appendix to what is known as Clevenger's edition of the civil practice act and was based upon a study of the average life span of persons living between 1843 and 1858.

Mr. Wilson feels the use of such an old table has resulted in great injustices because under it the life expectancy of humans is much less than justified by modern experience. By the use of the old table, rather than the new table, human life is greatly undervalued in lawsuits, he contends.

The requirement of the bill that the courts take judicial notice of the 1941 mortality table doesn't mean they are mandated to evaluate human life by the application of a strict mathematical formula, only that one of the factors to be taken into account in a lawsuit is the probable life expectancy as fixed by the new table.

If the person whose life was being evaluated was suffering from some disease or other impairment which would make it improbable that he would live a normal life expectancy that fact would also be taken into account, Mr. Wilson said.

Ga. Agents Urged to Push Driver Training

Georgia Assn. of Insurance Agents is urging its members to take the lead in establishing driver training schools throughout the state. At present only about 25% of the schools have such training.

With the new automobile classification under which young drivers can obtain a 10% rate credit if they have passed such a course, youngsters and their parents are being penalized, monetarily, if a high school does not have the course. It also establishes a penalty against the entire community because its young drivers are not being educated as to good driving principles and habits, the association points out.

Branch Buys Delta

W. W. Branch & Co., managing general agency of Birmingham, has purchased the general agency interests of Delta Underwriters Agency and representation of its leading companies. I. B. Williamson, who was state agent for the Delta agency, will be state agent for W. W. Branch & Co.

A. H. Brawner, president of W. P. Fuller & Co., has been elected to the board of Fireman's Fund. Mr. Brawner is also chairman of the Twelfth District Federal Reserve Bank and is president of Mills Memorial Hospital in San Mateo and is a director of Caterpillar Tractor Co., California-Pacific Title Co., California Packing Corp. and the Children's Hospital of San Francisco.

Cunningham Reports on High Auto Rates in La.

A. P. Cunningham Jr., secretary of Audubon of Baton Rouge, has submitted a report to the Louisiana legislative council putting most of the blame for high auto rates in the state on the shoulders of motor vehicle operators. The report was made at the request of John D. Daggett, investigator for the council, which is making a special study of the high rates.

Explaining that the rates in Louisiana are based on the same formula as in nearby states and pointing out that the Louisiana automobile liability premium is the highest in that section of the country, Mr. Cunningham said the drivers using the state highways and city streets "are the actual factor in determination of our rates."

Other reasons he listed for the unfavorable rate picture were: The direct action statute, which permits the suing of any liability company directly through the secretary of state, without making the guilty person party to the suit; the lack of a guest law, a situation which permits a guest in a car to take action directly against the operator of a vehicle involved in an accident.

Also listed as factors were the condition of Louisiana highways, the lack of sufficient manpower and equipment for adequate law enforcement, and the need for state regulated driver training.

Liberty Mutual Studies Radiation Problems

A radiation control laboratory to study new radiological problems posed by industrial use of radioactive material is now being constructed by Liberty Mutual at Hopkinton, Mass. Chemical laboratories and other facilities for the study of industrial hazards will also be housed in the new structure, expected to be completed by November.

N. J. Mutual Agents Annual Scheduled for May 8-9

New Jersey Assn. of Mutual Insurance Agents will hold its annual convention at Asbury Park, May 8-9. There will be morning and afternoon sessions with a luncheon and banquet.

Insurers Proposed in R. I.

Bills proposing the incorporations of new insurers have been introduced in the Rhode Island legislature. Westminster, with Santi J. Paul, Guy E. Gallone, as incorporators, seeks incorporation with a capitalization of \$2 million to write all lines except life and endowments.

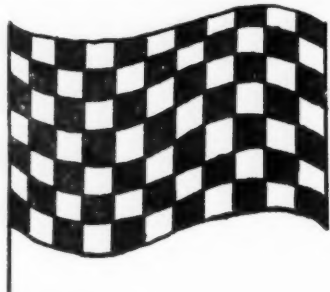
A.D.A. Ins. Co. is seeking incorporation with an authorized capitalization of \$2 million, to write general insurance. Incorporators are Leo B. Carey, Thomas Clarke and David Fitzgerald, prominent Rhode Island automobile dealers. Sponsor of the bill is Sen. Westlake, also an automobile dealer.

Viking Ins. Co., incorporated in 1941, seeks authority from the legislature to issue 200,000 shares of preferred and 200,000 shares of common stock at \$5 per share each.

The former Harry Carlin general agency of Oklahoma City is now operating under the style of Carlin-Bayless Co. The change is a result of the death of Harry Carlin in January. The new owners are Mr. Carlin's son, Ralph, and L. E. Bayless.

A. R. Goodall, state agent of National Union Fire, was speaker at the March meeting of Springfield (Ill.) Assn. of Insurance Women. Helen M. Kramp was in charge of arrangements.

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Farrer Says Mass Marketing Is Here for Insurance

Now that property insurance has become big business it is facing some of the marketing problems confronting all big business, Richard E. Farrer, secretary of National Fire, said at Buffalo I-Day. The foremost problem is the ever-changing market for property insurance, closely followed by the problems of distribution, merchandising and selling the business.

In the last five years the number of registered automobiles on highways has almost doubled, the number of new dwelling units started has doubled and total consumer spending has almost doubled, he said. He asked if agents were selling twice the number of automobile and residence fire policies they did five years ago and if the premium volume of their agencies had doubled.

The marketing revolution will make inevitable the adoption of mass merchandising to match mass production techniques and automation in order to reduce costs and the delivered price of goods and services, Mr. Farrer believes.

As mass marketing grows, there is more pre-selling of the consumer before he goes to the market to buy, and the drive to reduce distribution costs is stepped up.

The most apparent thing in this marketing revolution is the rapid and widespread growth of certain specialty and direct writing fire and casualty companies that are attuned to mass merchandising, he said.

The notable success of these companies in use of mass merchandising methods should lead to consideration of their organization and operation, he declared, and it behooves agents and companies to study their methods well and closely.

Enterprising specialty and direct writing companies will continue to increase the tempo of competition. What measures can and should agency companies take, to retain for themselves and their agents the vast market of

(CONTINUED ON PAGE 32)



III Winds Blow Opportunity to the Agent

The windstorm season is at hand.

Agents who know the value of proper TIMING in sales work are now advising clients that Central Surety's ADDITIONAL EXTENDED COVERAGE and ALL PHYSICAL LOSS forms are available for attachment to Central Surety FIRE policies. The need, if overlooked, sometimes leads to tragic conditions.

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Fireman's Fund to Write Excess Auto Lines in California

Fireman's Fund has set up an excess liability insurance service in California to handle primarily automobile and miscellaneous liability risks on which the primary insurer limits its coverage to 10/20 BI and \$5,000 or more PDL.

For the present, the service will be available only to the regular producers of Fireman's Fund group, and it will enable them to place the excess business in an admitted market.

Suggests Insurers Pool Talent in Conducting Accident Investigations

LOS ANGELES—Robert S. Patterson of Los Angeles Yellow Cab Co., addressing Casualty Insurance Adjusters Assn. of Southern California, suggested that insurers get together and form an organization to conduct preliminary investigations in accidents. This would cover names of witnesses, the precise location of the accident, damages, skid marks, point of impact, street measurements, and photographs.

Investigation of an accident starts at the moment it happens and continues

until the jury renders its verdict, Mr. Patterson said. He said the investigator has to get to the receiving hospital as quickly as possible, because this is an excellent place at which to get information. Hospitalization is one of the hard problems in an accident case, and Mr. Patterson suggested the insurer have its own physician handle the cases whenever possible. Undercover investigation is costly, he said, but in the long run it pays.

In preparing a case for trial, he emphasized that it is impossible to be too thorough. There should be a check and recheck of the records.

"Borrows" \$35,000 on One Automobile

One enterprising young woman in New York City needed money not long ago and to get it borrowed \$2,000 on her automobile. This turned out to be so easy that a while later, pressed again by the need for cash, she went to another bank, forged the papers, and borrowed the full loan value of the car again. She continued to do this until the total amount she managed to raise on the one automobile was, according to estimates, \$35,000.

One of the banks involved recouped its loss under the forgery provisions of its bankers blanket bond.

Interest of Agent Is Key Issue in Sask. Insurer Hearing

A hearing was conducted at Helena early this month in the case of Gardner C. Waite vs. Saskatchewan Guarantee & Fidelity. This is the battle of the Montana local agents to have the Canadian insurer, which is owned by the province of Saskatchewan, thrown out of the state on the grounds that it constitutes illegal competition and that it was licensed in contravention of the constitution in that it is actually the arm of a foreign power.

It was evident at the hearing that the district court judge is concerned with the rights and interests of Mr. Waite to sue the insurer. This issue may be taken directly to the supreme court, because the agents feel they have a strong case on all other counts. They do not desire to lose on the issue of the rights or interests of the plaintiff when the main point has to do with competition by a foreign government.

Richardson Honored on 35th Anniversary

Harry F. Richardson was honored on his 35th anniversary with National Council on Compensation Insurance at a dinner attended by more than 200 employees of the council, including managers from the council's administrative bureaus in New York for their annual meeting.

The party was planned by Miss Doris Greenwood, Miss Gladys Sorensen, Miss Aida Tomaselli and George Hill.

Gifts were presented Mr. Richardson by S. C. Southard, manager of Southeastern Compensation Rating Bureau, and A. Z. Skelding, assistant manager of the council. William Leslie Jr., assistant manager who will succeed Mr. Richards on April 1, read a resolution eulogizing him for his accomplishments.

N. M. Adjusters' "Festival" Draws Attendance of 200

The first "spring festival" of New Mexico Claim Men's Assn. was conducted at Albuquerque and drew an attendance of more than 200 adjusters from New Mexico, west Texas and Colorado. The program included talks by Gov. John Simms of New Mexico, Commissioner Ralph Apodaca; Wiley C. McNeill, claims attorney of Commercial Standard, and George Beech, Denver manager of Hartford Accident. There was a cocktail hour and banquet in addition.

Gov. Simms urged participation in civic activities on the part of adjusters, and Commissioner Apodaca stressed the importance to the business of the adjusters' work. Mr. McNeill stressed the need for education both in the selling of insurance and for claims personnel, and Mr. Beech talked on the relationship between the adjuster and the insurance sales.

New Roane W. Va. Office

John Roane, Inc., Baltimore adjusters, has opened an office in the Commercial Bank building in Bluefield, W. Va., and has named Harold S. Huffington manager.

Brokers Seek More Discounts

New York Fire Insurance Rating Org. has been urged in a resolution by Greater New York Insurance Brokers Assn. to liberalize its rules to permit the writings of term policies, with appropriate discounts, on all classes of fire business, as has been done in

other states. Presently term policies in New York are permitted on dwellings and other structures as well as on stocks in sprinklered buildings. The brokers want term discounts on fire policies covering stock in non-sprinklered buildings.

School Insurance Plan Proposed in St. Louis

ST. LOUIS—A plan to replace the self insurance fund for St. Louis schools with private coverage has stirred up a heated controversy, the outcome of which will not be settled until the school board meets April 12.

The new plan would authorize the purchase of fire and extended coverage policies on all buildings in the school system at an initial premium of \$118,182 for the first three years, after which there would be an annual outlay of \$58,970. Protection during the first two years would be \$24,069,663 and \$48,139,325 respectively.

At present the buildings are insured for only \$2,746,090 at a cost of \$7,133 annually, and a fund of \$468,000 is the main source of protection.

The proposal suggests but does not make mandatory that brokerage fees or commissions on insurance purchased be placed in a fund to be used for community purposes such as fire and accident prevention and driver education. Opponents have argued the legality of such a fund. However, the measure provides that should the board of education so elect, insurance could be purchased from any company or companies, with the fees going to the brokers placing the business.

Va. Agents Study Surplus Lines Law

T. Nelson Parker, counsel of Virginia Assn. of Insurance Agents, is studying the constitutionality of a surplus lines law for the state. At present the state constitution prohibits any corporation from doing business in Virginia without being licensed and prohibits allowing any privilege to any foreign corporation that is denied to any domestic corporation.

Insurer Reorganizing Bill Backed by Bisson

A bill setting up procedures for reorganization of insurers in receivership in Rhode Island, which would affect Rhode Island Ins. Co., in receivership since July 1, 1950, has been introduced in the legislature, sponsored by Commissioner Bisson.

The bill provides that a group of creditors or stockholders may propose a plan of reorganization to the receiver, who, under Rhode Island law, is the director of business regulation. If he is satisfied the plan is workable, he would submit it for approval to creditors holding two-thirds of claims against the company and to a majority of stockholders. The superior court would then have to sanction the plan.

Commissioner Bisson also is interested in bills which would effect a service of process act and a little federal trade commission act.

Protective Lloyds Reinsured

Beacon Ins. Co. of Wichita Falls, Tex., has reinsured Protective Lloyds Underwriters of that city.

New Agency at Buffalo

Adrian Dedecker Jr. and Evans E. Bartlett, who have been partners in a Buffalo agency, have formed a new agency with George E. Matthews, real estate agent, to be known as Matthews, Bartlett & Dedecker. Offices will be in the Blue Cross building.



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Announce Plans for \$20 Million Insurer in California

LOS ANGELES—The California department has issued a permit to Freedom Ins. Co. of Berkeley to issue and sell one million shares of \$10 par value stock at a price of \$22, the sale to net the new company \$20 a share. The permit states the company cannot make an application for a certificate of authority to transact business until 100,000 shares have been sold.

Freedom will be a multiple line insurer and will write all coverages except life, title and mortgage insurance.

This new insurer is the \$20 million company in southern California that has been discussed in recent months. There had been a lot of talk that there was such a company about to be formed.

It is generally understood that Freedom is supported strongly by the state farm bureau federation, and the president of Freedom is Ray B. Wiser, a director of the State Compensation Insurance Fund, active in insurance for many years and an official of the California State Farm Bureau Federation. Others affiliated with the new company are Ernest Ingold of San Francisco, president of an automobile distributing company under his name; W. B. Camp of Bakersfield, a potato and cotton producer; Lester J. Hink of Berkeley, president of a department store; A. E. Swanson of Fresno, a farm leader and president of Sun-Maid Raisin Growers Assn.; Vern A. Pickrell of Kingsberg, a rancher; Dr. Marvin E. Kirk of Oakland, a surgeon; Richard W. Young of Berkeley, a banker and attorney, recently retired as head of Farm Credit Administration for California, Nevada, Utah and Arizona.

Freedom will sell a copyrighted insurance policy entitled the "One" policy, under which will be covered all of an individual insured's requirements against casualty, fire and allied hazards. The right to use the copyright to the new policy has been assigned to Uni-Form Service Corp., and an agreement has been entered into by Uni-Form Service and Freedom under which Freedom, when licensed, may use the plan for 50 years. Freedom will pay Uni-Form 3% of the first \$5 million of annual gross premiums less return premiums; 2% for the next \$20 million and 1% for amounts in excess of \$25 million.

The head office of Freedom is given as 2054 University avenue, Berkeley.

Mr. Wiser is a former president of California Farm Bureau Federation and was founder and past president of Cal-Farm Ins. Co. and Cal-Farm Life.

Morrow Goes with National of Vermont

National Life of Vermont has appointed Robert C. Morrow assistant actuary. For the past three years he has been associate actuary of Farm Bureau Life.

He entered insurance in the actuarial department of Confederation Life of Toronto and was assistant actuary when he left in 1951. He is a fellow of Society of Actuaries.

Okla. Resolution Calls for Probe of Insurers

OKLAHOMA CITY—The Oklahoma house rules committee has proposed a resolution calling for an inquiry into

"all insurance companies whose practices are questionable." The resolution states that "information" has come to the committee that some companies are making "fraudulent contracts and issuing worthless policies" and are insolvent.

Counsel for the rules committee said the resolution is an outgrowth of recent charges against a man who allegedly took \$3,000 from Mickey Mantle, the baseball player, for worthless insurance stock.

The Oklahoma house insurance committee has recommended "do pass" the agent qualification bill. The measure calls for a qualifying examination.

Compulsory Bill in Mich.

LANSING—A compulsory automobile insurance bill has finally been put into the Michigan legislature. It would have an effective date of Jan. 1, 1956, and would require minimum policy limits of 5/10/1, with failure to comply calling for fines up to \$250 or jail terms of up to 90 days.

Lee H. Ager has purchased the Everett agency at Everett, Wash., following his recent resignation as assistant secretary of the Western Pacific.

Windstorm Losses to Reach \$10 Million

National Board has assigned catastrophe serial No. 58 to losses resulting from the March 22 windstorm in eastern Michigan, Indiana, Kentucky and Ohio reported in last week's issue. While the total number of losses must still be estimated, Underwriters Adjusting and Western Adjustment now set the figure as between 175,000 and 200,000. While the average loss remains at about \$50, or slightly less, this raises the ante on the total to around \$10 million.

Both of the adjusting firms have sent in extra people to augment staffs in the affected areas, and Western Adjustment, which expects to handle about 100,000 claims, has opened storm offices in Zanesville, Newark and Canton, Ohio, with the possibility that another will be opened in the Detroit area.

Completion of emergency plans will be based on reports being received by the National Board and Alfred S.

Snow, catastrophe press chairman, Ohio Fire Underwriters Assn. Western Underwriters Assn. is also cooperating.

The storm blew out in western New York and Pennsylvania without doing much damage there. General Adjustment Bureau added two adjusters at Jamestown, N. Y., and two at Worcester, Mass., but the estimate of the number of claims east of Ohio is only a few hundred. There was some additional damage to properties damaged by the March 11 storm in western Pennsylvania, particularly in Pittsburgh and Erie.

Hanover Names Pearson to Succeed Padberg in Neb.

J. W. Padberg has resigned as state agent for Hanover in Nebraska to go into the agency business at Scottsbluff. Robert G. Pearson has been appointed to succeed Mr. Padberg in the Nebraska field.

Mr. Pearson has been in Indiana for Hanover and prior to that was in the western department office at Chicago. He has been with Hanover and Fulton for most of his business life. His headquarters will be in the Sharp building, Lincoln.

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Public Relations Aspects of Claim Handling Are Developed by Combs at EAC at Baltimore

Some of the claims, lawsuits and misunderstandings concerning coverage of casualty policies were reviewed at the Eastern Agents' Conference in Baltimore by Hugh D. Combs, executive vice-president of U.S.F.&G., whose topic was "Efficiency Improves Public Relations."

He pointed out that in the process of rapid growth in recent years situations have arisen in the casualty business that were irritating to insured and occasionally to the public. This irritation sometimes developed into a grievance which has, in many instances, been reflected in the attitude of juries toward companies and to some extent in the thinking of judges.

Mr. Combs said perhaps two of the principal causes of irritation have arisen from the handling of claims and lawsuits and from misunderstanding or misinterpretation of coverage.

Despite efforts to settle, it is inevitable that a certain number of casualty cases have to be taken to trial. In the past, far too many serious cases were permitted to go to trial. This was due in some measure to a failure on the part of claim men and claim executives of insurers to place realistic values, commensurate with the trend of the times, on too many cases. The result was that juries were realistic for them, and a plethora of what were considered exorbitant and unreasonable verdicts followed. These verdicts were publicized in newspapers and elsewhere, with the result that higher demands were made for the settlement of pending cases.

In order to give the agents some idea concerning verdicts today, Mr. Combs reported on a few results of trials, including a recent one in which a woman in New York City, who had been struck by a city-owned automobile, was awarded a verdict of \$350,000.

In Chicago recently, a child fell down an elevator shaft and suffered head injuries. A settlement out of court was made for \$87,500 and in Mississippi, a verdict for \$10,000 was given for the death of a child 2½ years of age.

He noted that in the case against New York City, though the jurors knew they would share in the cost as taxpayers, they were not deterred from bringing in an all-time-high record verdict.

In the elevator case, the settlement for \$87,500 would have been almost unheard-of in a case of this kind a few years ago and in the case of the child 2½ years of age, \$10,000 is two or three times the amount which would have been allowed to stand some years ago.

The cost of settlement of casualty cases still trends upward, and if they are not settled verdicts may very easily exceed the amount of the demand prior to trial. However, this does not mean that the claim man will settle for any amount demanded. He will make every effort to settle; but if a proper offer is refused he must permit the case to go to trial.

Mr. Combs said the press reports as news a large verdict, but there is no publicity concerning the thousands of cases where the claim men have

refused to meet exorbitant demands and juries have agreed with them by bringing in verdicts below the amount for which the case could have been settled.

Many large verdicts are justified by the facts in the case. High verdicts make necessary adequate coverage. This places an added burden on the agent to be sure his insured carries proper limits. An agent cannot properly serve his insured by telephone or over the counter in a haphazard fashion. He must study and familiarize himself with the limits needed by the particular insured. He must have a market in which he can purchase the limits of coverage to fit the insurance needs of each particular case.

The claim man and the insurance company, on the other hand, must observe a careful balance between what is right and proper top pay in settlement of a case, and must know when to refuse to meet a demand which is truly exorbitant and rely on the fair judgment of a jury. Obviously, there is less possibility for mistake or criticism if the case can be disposed of by settlement.

Mr. Combs cited several cases in which a court, by legalistic reasoning, has attempted to change the entire meaning of the coverage and to amplify the limits of protection.

In a New York case the company had issued a comprehensive general liability policy with the usual watercraft exclusion. Approximately 50 lives were lost when a fishing boat foundered several miles from its dock in Long Island sound.

The insurer did not contemplate covering a loss of this kind because of the watercraft exclusion, but the company was held liable and the court said, in part: "the hazard and not the accident is excluded." In this case there were allegations concerning negligence specifically relating to overloading the ship and the court felt that since this negligence occurred on the premises the case was covered.

In another case the insured's truck collided with and derailed a freight train in Georgia. Damage was caused to a roadbed, owned by the railroad, in the amount of \$9,000; to 16 freight cars, belonging to 14 different owners, in amounts ranging from \$349 to \$4,000, and totaling over \$41,000. The contents, owned by the shippers, were damaged in an aggregate sum of more than \$7,000. The railroad sued the owners of the truck for \$75,000, and the owner settled for \$30,000. Property damage coverage was \$5,000 for each accident, but the court held that there were 16 accidents and would not limit the recovery to the amount of insurance purchased, namely, \$5,000.

The underwriters clearly intended to restrict automobile property damage liability to \$5,000 for all damage caused on any one occasion. The insured could have purchased property damage coverage ample to cover his possible liability but he did not do so. The finding of the court places a construction on the policy that was not contemplated. An appeal for reversal is pending.

These cases, Mr. Combs pointed out, illustrate the difficulties with

(CONTINUED ON PAGE 20)

Sees Automobile Competition Rising, Suggests Solutions

An optimistic note for the future of the automobile liability insurance business was sounded by James R. McWilliams, assistant manager of National Bureau, at Eastern Agents' Conference in Baltimore.

He described as "spectacular" the growth of the business in the last decade—especially during the past five years—and said he thought it would continue to grow.

His recommendations included more effort to sell quality service and product, application of the Fuller brush method of selling, and simplification of handling of automobile policies from beginning to end.

Mr. McWilliams said that with the great volume of automobile business available today and with rate levels that are at long last adequate in most areas, one would think that the picture would be rosy from the standpoint of both companies and agents. But it isn't.

The automobile premium volume of stock agency companies is leveling off or has actually dropped in the case of a number of companies. This means that the number of units insured is no longer showing a steady and substantial increase but is actually falling off.

He said it means that competitors are making inroads, and this is particularly true of the specialty companies in the automobile field which write the business at substantially lower rates than those of the stock agency companies. Specialty companies have had a phenomenal growth during the past five years.

In looking toward the future, he said competition will continue and will grow more intense. The competition is not only in price, but in policy coverage, policy term, installment premium payment plans, additional optional coverages and service.

Among the reasons given by him on why specialty companies are able to operate profitably at substantially lower rates than the stock agency companies were (1) they endeavor to insure a better than average group of insured from the hazard standpoint and, through strict underwriting, are able to weed out in advance or cancel other less desirable risks; (2) they get their premium payments on time or no insurance is afforded, thereby avoiding the twin evils of "not taken" policies and free insurance which unquestionably raise the costs of the stock agency companies materially; and (3) they have substantially lower expense ratios due primarily to their different methods of doing business.

Automobile liability insurance is now in the category of a mass production item that is bought by the public in many instances in order to comply with the requirements of financial responsibility laws.

Mr. McWilliams said he believed that a partial solution to the problem of the growing and aggressive competition of the specialty companies for automobile lies in the expenditure of more effort by the local agent to sell his quality service and product against the lower priced competition of the order taker for the cut-rate companies.

Today's economy, with keener competition for the consumer's dollars and with automobile insurance a "must" for most car owners, suggests the need

(CONTINUED ON PAGE 38)

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UNITED STATES RESOURCES AS OF DECEMBER 31, 1954

Year Estab- lished		ASSETS			LIABILITIES		SURPLUS TO POLICYHOLDERS (Includes Capital)	
		Securities Deposited as Required by Law	Other Admitted Assets	Total Admitted Assets	Liabilities	Capital	Annual Statement Basis	Market Value Basis
1896	American and Foreign Insurance Co.	\$ 460,548	\$23,014,967	\$23,475,515	\$14,212,818	\$1,500,000	\$ 9,262,697	\$ 9,256,254
1863	*The British and Foreign Marine Insurance Co. Ltd.	1,044,164	13,845,919	14,890,083	8,874,486	500,000	6,015,597	5,978,225
1911	Globe Indemnity Company	1,147,168	79,159,187	80,306,355	49,551,962	2,500,000	30,754,393	30,204,747
1836	*The Liverpool and London and Globe Ins. Co. Ltd.	1,401,185	49,765,112	51,166,297	31,411,763	500,000	19,754,534	19,509,575
1811	Newark Insurance Company	766,115	29,277,808	30,043,923	18,373,608	2,000,000	11,670,315	11,641,036
1891	Queen Insurance Company of America	842,824	75,658,781	76,501,605	46,866,559	5,000,000	29,635,046	29,415,933
1910	Royal Indemnity Company	1,191,215	88,410,397	89,601,612	57,030,062	2,500,000	32,571,550	32,115,415
1845	*Royal Insurance Company, Ltd.	1,352,677	57,964,297	59,316,974	37,357,214	500,000	21,959,760	21,844,926
1896	Star Insurance Company of America	463,508	25,505,071	25,968,579	15,937,717	1,000,000	10,030,862	9,990,759
1860	*Thames and Mersey Marine Insurance Co., Ltd.	1,041,433	8,042,082	9,083,515	5,380,349	500,000	3,703,166	3,714,870
1832	Virginia Fire and Marine Insurance Company	502,562	8,434,311	8,936,873	5,327,489	1,000,000	3,609,384	3,635,080

* United States Branch. The amount shown under "Capital" is the statutory deposit required to transact business in the U.S.A.

CASUALTY—SURETY—FIRE—MARINE

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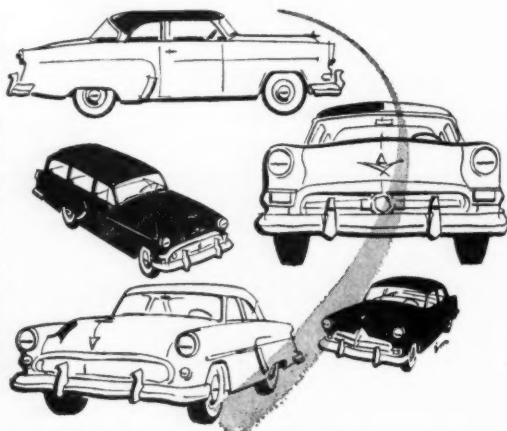
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● CAR OWNERS want dependable protection backed by efficient agency service. Give them both—plus mutual savings—and you have the auto coverage that's right for responsible clients.

Write for details of the Grain Dealers' AGENCY PLAN. It will interest agents who want to augment their facilities with those of a leading agency mutual company.



Grain Dealers Mutual

INSURANCE COMPANY

INDIANAPOLIS 7, INDIANA

Western Department: Omaha 2, Nebraska

FIRE & ALLIED LINES • AUTOMOBILE • INLAND MARINE

Companies Report on 1954 Results

Surplus in the following company reports refers to surplus to policyholders.

	Premiums Earned	Losses Incurred	Premiums Earned	Losses Incurred
American Independent Mutual Casualty, Philadelphia—Assets, \$140,760; loss res., \$62,610; unearned prem., \$96,871.	320,939	97,160		
Health	439,054	208,525		
Non-can. A&H	353,947	23,057		
Total	1,113,940	328,742		
Employers Mutual Fire, Wis.*—Assets, \$10,034,420; loss res., \$1,442,424; loss res., \$470,738; unearned prem., \$3,649,885; surplus, \$5,353,562; incr., \$1,132,350.	1,305,308	433,022		
Fire	452,498	205,033		
Extended coverage	1,057	242		
Torn., wind. (ex. crops)	2,511	10		
Sprinkler & water damage	192	55		
Expl., riot, civil comm.	354			
Earthquake	341,390	160,417		
Inland Marine	2,702,347	969,245		
Auto Phys. Dam.	938	195		
Aircraft Phys. Dam.	—11,505	—46,046		
Excess of Loss	4,795,090	1,722,173		
Total				

*Figures previously reported were incorrect

Employers Mutual Liability, Wis.*—Assets, \$163,815,061; loss res., \$30,056,133; loss res., \$33,459,636; unearned prem., \$24,353,926; surplus, \$38,526,016; incr., \$12,952,461.	23,103	12,690		
Fire	7,361	1,668		
Extended coverage	38	119		
Torn., wind. (ex. crops)	86	—		
Sprinkler & water damage	16	2		
Expl., riot, civil comm.	41	22		
Earthquake	963	850		
Inland marine	5,453,602	4,104,229		
Group A&H	58,775,133	30,714,310		
Workmen's Compensation	8,800,099	5,794,209		
Liability (not auto)				

F. D. Hirschberg Agency of St. Louis Marks 80th Year

ST. LOUIS—The F. D. Hirschberg & Co. agency is this year celebrating its 80th year in the insurance business.

The agency was founded in 1875 as a partnership between John B. Slaughter, who was then operating his own agency, and Francis D. Hirschberg, and was known as Slaughter & Hirschberg. This partnership was dissolved in 1880 and Mr. Hirschberg continued the business in his own name until his brother, Louis E. Hirschberg, joined him and the name was changed to F. D. Hirschberg & Bro. In 1888, C. J. Kehoe was admitted as a partner, and after the death of Louis Hirschberg in 1890, the name was again changed, this time to Hirschberg & Co.

One of the interesting episodes in the history of the agency was in 1895 it was expelled from the St. Louis Board because it refused to discharge one of its solicitors, Mrs. Esther M. Getz, who had succeeded to the personal business of her late husband, Eli B. Getz. Mr. Getz had been with the Hirschberg agency, and this was the first time a widow had sought to take over the business of her husband. The Hirschberg officers took the position that Mrs. Getz had a legal and moral right to take over the business, and their defense of "woman's rights" received considerable publicity in the St. Louis newspapers. The agency was reinstated in 1896 and the record as to its expulsion was expunged.

Employers Liability, which was admitted to the U. S. in 1896, appointed the Hirschberg agency two years later as general agents, and this was the first agency to write a liability policy west of the Mississippi. The agency has represented also Scottish Union since 1883. L. & L. G. since 1890, Home, 1906; American Auto, 1912; Columbia, 1915; North America, 1916; Patriotic, 1919; Employers Fire, 1921; Agricultural, 1926; Mercury, 1933; St. Paul F. & M., 1933; St. Paul—Mercury Indemnity, 1933, American Casualty, 1937.

Four New Vice-Presidents

Four senior vice-president elected by American Mutual Liability were Richard P. Cromwell, finance; Leslie P. Henry, administration; Harold J. Ginsburgh, underwriting and H. T. Batts, operations.

Illinois Mutual Casualty—Assets, \$2,034,314; loss res., \$312,162; unearned prem., \$748,100; surplus, \$863,196; incr., \$98,139.	4,069	517		
A&H	1,862	118		
Extended coverage	402			
Torn., wind. (ex. crops)	64,336	11,108		
Auto liability	545,669	480,942		
Auto PDL	304,936	417,728		
Auto phys. dam.	1,364,399	826,969		
P. D. (not auto)	32,691	15,658		
Auto med.	190,599	107,012		
Med. (not auto)	73,013	27,795		
Livestock	5,569	2,913		
Total	2,597,550	1,890,768		

Iowa National Mutual—Assets, \$19,649,253; loss res., \$5,926,172; unearned prem., \$7,132,423; surplus, \$4,912,52; incr., \$1,500,227.	60,679	31,212		
Fire	39,520	57,078		
Extended coverage	170	149		
Torn., wind. (ex. crops)	85			
Sprinkler and water dam	496			
Crop-Hail	5,401	1,004		
Inland marine	766,042	180,140		
Workmen's comp.	3,581,528	1,904,109		
Liability (not auto)	766,042	1,904,109		
Auto liability	4,122,044	1,978,775		
Auto PDL	2,920,662	1,220,359		
Auto phys. dam.	3,419,933	1,323,965		
P. D. (not auto)	191,778	56,396		
Glass	16,431	4,158		
Burglary, theft	79,668	24,871		
Med. pay.	494,550	234,161		
Total	15,698,996	7,016,410		

Protective Casualty, St. Louis*—Assets, \$2,168,561; loss res., \$125,116; loss res., \$109,693; unearned prem., \$1,552,265; capital, \$200,00; surplus, \$435,323; incr., \$235,323.	1,890,889	847,154		
Auto phys. dam.				
*Formerly Protective Mutual Casualty, which has been 100% reinsured by the succeeding company.				

Southeastern Fire, Charlotte—Assets, \$6,483,774; loss res., \$1,125,850; loss res., \$128,893; unearned prem., \$3,029,763; capital, \$500,000; surplus, \$2,717,122; incr., \$645,974.	10,599	7,727		
Fire	2,806	1,131		
Extended coverage	16,915	10,141		
Auto liability	10,385	4,498		
Auto PDL	3,109,627	1,211,032		
Auto phys. dam.	270			
Surety	3,150,602	1,234,529		
Total				

William Penn Fire—Assets, \$3,399,384; loss res., \$389,903; unearned prem., \$1,628,412; capital, \$300,000; surplus, \$808,765; incr., \$203,568.	582,162	230,448		
Fire	284,778	217,950		
Extended coverage	2,706	—8,204		
Torn., wind. (ex. crops)	471	11		
Sprinkler and water dam	460			
Expl., riot, civil comm.	273			
Earthquake	305,083	47,681		
Inland marine	347,801	206,668		
Auto phys. dam.	1,523,736	714,554		
Total				

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National Union Group Assets, Surplus Hit Record High in 1954

Consolidated assets of National Union Fire and its subsidiaries, National Union Indemnity and Birmingham Fire, reached a record high of \$78,408,743 at the end of 1954, an increase of 19% over 1953, President W. A. Rattelman has reported to stockholders.

Surplus to policyholders was also at an all-time high of \$28,118,066 at year end, compared with \$17,089,497 in 1953.

These increases were attributed to the sale in 1954 of 200,000 additional shares of capital stock which added \$5,831,382 and an increase of \$4,422,786 in the values of securities held.

Net income of the companies after federal income tax was \$1,690,938, compared with \$1,548,782.

Premiums written totaled \$35,421,286, compared to \$34,730,735. Unearned premiums increased by \$1,195,689 to a total of \$33,231,788.

The companies had earned premiums of \$34,225,597, loss and adjustment expenses incurred of \$19,619,417, acquisition and underwriting expenses of \$14,596,310, resulting in an underwriting profit of \$9,870.

Mr. Rattelman noted that this profit had been achieved in the face of the eastern coast hurricanes of 1954 which caused losses to the companies aggregating \$1,951,154.

Ala. Service Office Opened by the Boston

The Boston has opened an Alabama service office in Birmingham under the supervision of State Agent Walter J. Hemer, who will be assisted by Mrs. Louise H. Duddy. For more than 30 years the company was represented in the state by Cowan & Mahone of Atlanta.

Mrs. Duddy was formerly with Cowan & Mahone and St. Paul in Birmingham. She is a past president of Birmingham Insurance Women's Assn.

Eastern Casualty Has 23% Gain in Premiums

Written premiums of Eastern Casualty of New York were 23% higher in 1954 than in the previous year, \$1,680,968 compared with \$1,386,749. Assets increased 61% to \$776,161.

The company recently announced a new line of policies including A&H and an all-purpose hospital indemnity plan. It is also expanding its public relations and is preparing window displays, advertisements for local use by agencies, and other sales aids.

Fetzer Speaks at St. Paul

Wade Fetzer, president of W. A. Alexander & Co. agency of Chicago, was speaker at a meeting of Minneapolis-St. Paul chapter of National Office Management Assn. His subject was "A Philosophy for Management."

Three Calif. Locals Elect

New officers have been elected by three California local associations as follows:

Alameda—President Arthur Streh-

low, vice-president Blevin Neville, secretary-treasurer Herbert Justin.

Alhambra—President Charles C. Lee, vice-president Ralph L. Katlan, secretary Carl E. Carlson.

Imperial Valley—President E. K. Wattles, El Centro; vice-president Mrs. Elizabeth Harris, Holtville, and secretary-treasurer Charles H. Knight, El Centro.

Fire Prevention Assn. in N. D. Holds School

North Dakota Fire Prevention Assn. held an inspectors school in Fargo. Speakers included Harry Wolff, Western Actuarial Bureau; Glenn Rowell and Peter Hegrenes, Fire Underwriters Inspection Bureau; Fargo Fire Chief Fred Saefke; Marvin Nabben, Northern States Power Co., Minneapolis, and J. M. Wilson, Hartford Fire.

North Carolina Stock Fire Field Club Elects

Stock Fire Insurance Field club of North Carolina at its annual meeting in Raleigh elected Russell G. Sherrill, Phoenix of Hartford group, as chairman and J. B. Johnson, Fireman's Fund group, as vice-chairman.

Factory Mutuals Have Good Year for Fire but Bad for Hurricanes

The annual report of Associated Factory Mutuals shows a loss ratio (cents per \$100 insured) of 3.62 for 1954 as compared with 3.60 in 1953.

The Factory Mutual companies, Manufacturers Mutual Fire, Boston Manufacturers, Firemen's of Providence, Arkwright of Boston, Blackstone of Providence, Industrial of Boston, Philadelphia Manufacturers, and Protection of Chicago suffered almost half their 1954 loss in the three hurricanes. Carol produced 807 losses totaling \$4,883,000; Edna 394 losses totaling \$651,000 and Hazel 1,105 losses totaling \$1,794,000. The largest hurricane loss was approximately \$1 million and occurred at a plant where a large unanchored roof was lifted.

There were 3,934 fire claims last year totaling \$7,226,000, 191 explosion claims for \$658,000, 475 lightning claims for \$262,000, 554 leakage for \$807,000, 3,472 windstorm for \$7,366,000, 196 vehicle for \$44,000, 370 riot and com-

motion for \$127,000, and 600 U & O for \$2,777,000.

Excluding hurricanes, the loss ratio would have been one of the lowest in many years. The biggest fire loss, exceeding \$1 million, occurred at a southern bleachery late in the year and was due to a sprinkler valve being shut too soon.

The Factory Mutuals now have \$55,182,994,000 net insurance in force. Assets at market value Dec. 31 were \$280,324,000 and the net premium deposits were \$250,312,000. Net losses for the year were \$19,267,000.

America Fore Promotes Lord

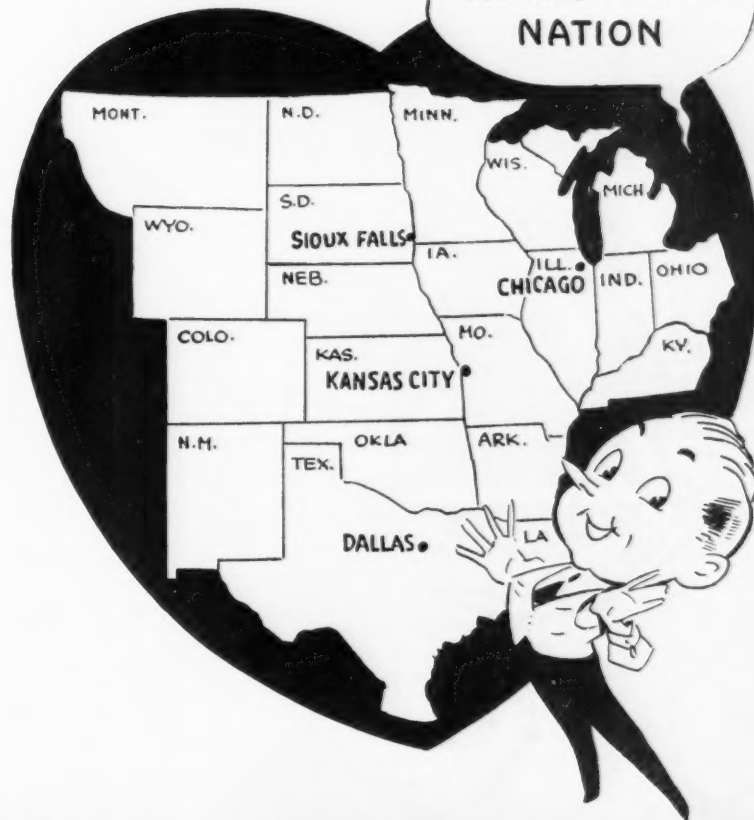
Clarence Lord, chief engineer in the Pacific department of America Fore, has been advanced to agency superintendent of the fire engineering department. He succeeds R. E. Swearingen, who has retired after 37 years with the company.

Buyer Addresses L. A. CPCU

J. T. Parrott, insurance department manager of the Carnation Co., addressed the Pacific chapter of CPCU at Los Angeles on "The Function of a Corporate Insurance Department."

PEPPY FREDDY, the fieldman, says:

A STAFF OF 32 FIELDMEN AND 15 UNDERWRITERS WORKING OUT OF 4 COMPLETE OFFICES ASSURES PROMPT BOND SERVICE TO THE HEART OF THE NATION



WESTERN SURETY COMPANY

One of America's Oldest Bonding Companies

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Sioux Falls
South Dakota

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Kansas City, 6, Mo.

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A GOOD NAME TO REMEMBER

WHEN YOU HAVE A DIFFICULT OR UNUSUAL
RISK TO PLACE

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For protection on the highway,
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Special Engineering Service

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What Hazel Did to
Insurers Shown in
EC Figures in N. C.

Below are shown the extended coverage net premiums and incurred losses of insurers in North Carolina in 1954. What Hurricane Hazel did to the companies is dramatically reflected in the figures. In many cases losses were more than 10 times the premiums.

STOCK FIRE

	Net Premiums	Incurred Losses
Aetna Fire	144,444	671,912
Affiliated FM	8,638	13,283
Agricultural	11,007	40,999
Albany	4,378	6,752
American Auto	440	146
American Av. & Gen.	996	2,895
American Central	5,035	22,125
American Druggists	545	3,457
American Eagle	31,338	221,108
American Equitable	34,308	79,536
American & Foreign	8,804	12,262
American Home	28,857	229,201
American Liberty	147,939	1,715,277
American Mar. & Gen.	1,203	540
American Mar. & Gen.	1,208	5,032
American National	63,453	712,382
American Union	3,469	8,229
Assurance of Am.	6,555	1,025
Atlas	4,966	43,783
Automobile	18,096	102,278
Baloe Fire	685	1,953
Bankers F.&M.	998	3,711
Bankers & Shippers	25,235	103,198
Birmingham, Ala.	2,218	22,204
Birmingham, Pa.	579	1,782
Blue Ridge	14,728	74,698
Boston	73,004	829,029
British American	8,953	166,297
British General	8,986	125,247
Buffalo	1,665	1,888
Caledonian-Am.	1,318	4,564
Caledonian	3,564	23,788
California	2,582	56,327
Camden	23,428	189,657
Centennial	8,656	27,771
Century	6,632	22,571
Charter Oak	17,405	64,998
Church Fire	199	3,236
Citizens, N. J.	19,036	126,262
Columbia, N. Y.	4,399	33,894
Commercial Un., Eng.	11,958	131,280
Commercial Union, N. Y.	3,893	28,896
Commonwealth	2,148	7,163
Connecticut Fire	7,972	78,998
Continental	52,988	308,661
Detroit F.&M.	7,597	85,231
Dubuque F.&M.	1,098	1,069
Empire State	6,228	11,389
Employers Fire	10,298	87,060
Equitable Fire	2,896	1,882
Equitable F.&M.	7,613	25,788
Equity General	514	1,465
Eureka-Security	13,018	17,274
Export	21	21
Federal	29,866	—1,135
Fidelity-Phoenix	38,224	151,785
Fire Assn.	15,355	98,469
Fireman's Fund	64,465	334,178
Firemen's, N. J.	11,552	41,537
Franklin National	2,536	22,858
General of Seattle	82,079	86,721
Germantown	7,513	757
Girard	8,256	81,731
Glens Falls	28,943	305,352
Globe & Republic	10,298	61,574
Granite State	22,378	258,698
Great American	77,131	285,806
Halifax	3,317	16,166
Hanover	32,794	221,959
Hartford Fire	106,145	563,391
Home	142,808	869,369
Honolulu	21,987	84,534
Illinois Fire	1,107	3,502
North America	69,234	191,524
State of Pa.	8,616	53,049
Jersey of N. Y.	8,118	67,434
Kansas City F.&M.	273	1
L. & L. & G.	28,405	99,938
London Assur.	21,719	305,481
London & Lancashire	9,732	111,219
London & Scottish	5,767	27,408
Manhattan F.&M.	6,682	47,464
Massachusetts F.&M.	17,629	228,206
Mechanics & Traders	4,711	8,697
Mercantile	1,759	773
Merchants Fire, N. Y.	22,313	47,157
Mercury	7,614	61,282
Michigan F.&M.	23,758	55,369
Milwaukee	6,085	43,671
Monarch	2,043	4,944
National-Ben Franklin	4,445	42,519
National, Conn.	25,979	99,008
National Union	9,228	—91,320
Newark	9,997	127,492
New England	24,670	178,769
New Hampshire	44,487	472,429
New York Fire	7,819	61,607
N. Y. Underwriters	33,053	225,246
New Zealand	554	141
Niagara	13,131	51,756
North British	9,411	52,286
Northern Eng.	13,493	54,132
Northern, N. Y.	24,247	49,990
North River	35,830	244,033
Northwestern F.&M.	2,259	6,577
N.W. National	2,547	19,559
Norwich Union	9,066	22,559
Ohio Farmers	11,111	32,234
Old Colony	46,108	537,748
Orient	6,146	70,244
Pacific Fire	4,121	73,770
Pacific National	6,892	43,772
Palatine	3,472	22,379
Paramount	2,579	9,090
Patriotic	5,693	4,530

	Net Premiums	Incurred Losses
Pearl	10,574	61,918
Penn. Fire	7,517	40,725
Philadelphia F.&M.	17,168	40,390
Phoenix, Eng.	9,391	76,537
Phoenix, Conn.	92,105	798,284
Planet	426	2,713
Potomac	2,261	5,490
Progressive Fire	4,467	13,229
Prov. Washington	13,270	73,693
Provident Fire	11,665	70,909
Quaker City F.&M.	2,818	28,974
Queen	24,031	136,306
Reliance	3,435	67,364
Rochester Amer.	23,600	250,729
Royal Exchange	7,231	55,833
Royal	23,560	99,813
Safeguard	2,561	29,288
St. Louis F.&M.	12,971	19,022
St. Paul F.&M.	40,235	156,886
Scottish Union	10,257	49,288
Seaboard F.&M.	5,812	55,722
Security, Conn.	15,332	50,722
South Carolina	1,857	12,039
Southeastern	2,629	454
Southern Fire	100,412	791,754
Springfield F.&M.	36,481	315,880
Standard Fire	11,864	75,293
Standard of N. Y.	71,586	208,024
Star	2,694	27,618
State Assur.	30	1,411
State Capital	3,784	19,270
State Farm F.&C.	10,328	46,416
Sun Office	9,553	51,191
Sun Und.	4,162	6,502
Switzerland Gen.	3,664	10,068
Transcontinental	1,451	3,298
Travelers Fire	35,157	52,321
Underwriters	151	1,165
Union Assur.	12,473	171,417
U. S. Fire	46,826	311,943
Vigilant	67	1,632
Virginia F. & M.	19,586	224,090
Washington F. & M.	555	217
Westchester	39,925	278,870
Western, Can.	7,107	41,754
World F. & M.	46,741	442,324

MUTUAL FIRE

Allied American	1,367	4,383
American Mfrs.	25,637	33,359
American Mutual	10,642	36,309
Atlantic Mut. Fire	48,795	128,531
Atlantic Mutual	6,459	3,724
Baldwin Mut.	613	3,686
Berkshire Mut.	14,310	50,536
Cambridge Mut.	13,656	28,348
Carolina Mut.	12,191	38,256
Central Mutual	68,849	125,432
Employers Mut.	4,095	1,880
Farm Bureau M.F., O.	81,564	324,891
Fed. Mut. Imp. & H.	38,051	170,072
Grain Dealers	72,269	164,169
Grangers Mut.	10,232	16,786
Hardware Dealers	18,166	3,372
Hardware Mut., N. C.	25,845	27,844
Hardware Mut., Minn.	5,619	15,997
Harford Mutual, Md.	36,058	46,902
Holyoke Mut.	23,406	92,816
Home Mutual, N. Y.	7,286	16,148
Implement Dealers	1,904	11,984
Ind. Lumbermen	42,292	134,832
Iowa Hardware	2,702	28,707
Iowa Mutual	33,018	171,566
Liberty Mut. Fire	34,024	42,441
Littitz Mutual	26,103	65,428
Lumber Mut.	22,377	48,888
Lumbermen's Mutual	41,609	126,358
Mer. & Bus. Men's	9,732	35,986
Merrimack Mutual	40,968	105,774
Michigan Millers	21,446	30,384
Middlesex	24,652	55,700
Millers Mutual, Ill.	33,178	63,618
Millers Mutual, Pa.	6,101	26,420
Millers National	2,193	18,233
Mill Owners	12,407	67,934
N. Y. Central	6,881	14,257
Norfolk & Dedham	22,065	61,447
NW. Mutual Fire	185,261	634,049
Pawtucket	26,284	21,316
Penn. Mutual	35,323	121,074
Penn. Lumbermen	135,625	671,200
Pa. Millers Mut.	28,077	47,911
Perkiomen	3,345	20,122
Pioneer Coop.	9,981	12,428
Preferred Mut., N. Y.	34,343	26,647
Quincy Mutual	15,498	15,538
Sterling	253	85
Traders & Mechanics	3,333	37,799
Union Mutual, R. I.	12,445	9,354
Utica Fire	1,521	743
Vermont Mut.	1,978	3,707
Washington County	1,270	7,423
Western Millers	811	178
Worcester	15,121	29,182

CASUALTY

American Motorists	1,402	376
American Casualty	3,154	9,168
American Employers	868	2,157
American F. & C.	2,061	8,665
American Indemnity	3,076	11,220
American Mut. Liab.	544	—2
American Title	2,227	6,346
Conn. Indemnity	5,643	28,336
Dixie F. & C.	10,313	30,289
Employers Liability	1,274	3,846
Employers RE	125	756
General Accident	8,539	33,096
Ia. Home Mut. Cas.	85	93
Liberty Mutual	2,978	642
Lumbermen Mut. C.	6,936	6,232
Maryland Casualty	1,029	7,275
Natl. Farmers Union	177	74
New Amsterdam Cas.	105	329
State Farm Mut.	7,642	28,358
Trinity Universal	10,289	57,313
United National	833	2,681
U. S. Casualty	83	10
U. S. F. & G.	43,734	318,173
Yorkshire	9,303	82,402

RECIPROCATALS

Affiliated Unds.	1,143	24
American Exchange	443	294
Belk Stores Recip.	17,319	2,477
Canners Exch.	726	894
Casualty Rec.	788	690

Current
Losses

	Net Premiums \$	Incurred Losses \$
Fireproof-Sprinkled	197	374
Individual Unds.	738	1,402
Lumbermen's Und.	16,585	3,659
Metropolitan Inter-Ins.	443	571
N. Y. Reciprocal	639	1,215
Reciprocal Exchange	1,603	2,095
Universal Unds.	5,295	12,839
Warner	—100	660

Marine Hull, Builder's Risks Syndicates Elect

Subscribers of American Marine Hull Insurance Syndicate have elected the following managers: Frank A. Aiken of Aetna Fire, Roy E. Carr of Providence Washington, Roy T. Haycock of Travelers Fire, Martin M. Higgins of Automobile, Woodward Melone of Fireman's Fund, John W. Morrow of Home, Miles F. York of Atlantic Mutual and Leslie A. Ward of Standard Marine.

Officers elected by them were Clifford G. Cornwell, chairman, manager and underwriter; Percy Chubb of Chubb & Son, vice-chairman; S. Donald Livingston, secretary and assistant underwriter; Romer F. Weyant, executive assistant and treasurer; Samuel Gore, manager of loss department; Walter W. Reed, assistant underwriter, and Bernard V. Burns, assistant treasurer.

Managers elected by subscribers of American Marine Insurance Syndicate for Insurance of Builder's Risks were Mr. Aiken, Mr. York, Mr. Melone, Mr. Morrow, Mr. Ward, John C. Ulreich and Emil A. Kratovil.

They named Mr. Cornwell chairman and manager, Mr. Chubb vice-chairman. Mr. Livingston underwriter and secretary, Mr. Weyant treasurer, Mr. Gore, manager of loss department, and Mr. Burns, assistant treasurer.

R. P. Watry Advanced at Milwaukee by U.S.F.&G

Raymond P. Watry has been named superintendent of claims at Milwaukee for U. S. F. & G. to succeed the late Henry S. Morrissey. Mr. Watry joined the company in 1926, immediately after graduation from Marquette university law school, as claim adjuster. He has been assistant to the superintendent of claims for the last few years.

McConnell Names Two for Cal. Department Posts

Commissioner McConnell of California has offered the job of chief assistant to the commissioner to Joseph D. Thomas and that of head of the compliance and legal department to Mervin R. Samuel. Mr. Thomas, who has been with the department since 1941, would fill the vacancy left by the retirement of C. A. Mueller and Mr. Samuel, with the department since 1940, would succeed Frank I. Fullender, now with the department of alcoholic beverage control.

Brokers Feature Levy

Michael H. Levy, head of Federated Brokerage Service, New York, was the featured speaker at the dinner forum on selling of Greater New York Insurance Brokers Assn. March 23. Matthew Napear, broker, will also speak and there will be a question and answer period. Armand Lowell of D. S. Friedman & Co. will be moderator.

Building Started for FIA

A new building to be leased by Factory Insurance Association at the northwest corner of Asylum avenue and Woodland street in Hartford is now being constructed by John E. Hayes Realty Co. The structure will have three floors.

Region I of National Assn. of Insurance Women held a conference at Hotel New Yorker, New York City, March 25-27. Anita O. Carlson, registrar of school of insurance of Insurance Society of New York, and Ruby E. Church, society librarian, were among the hostesses.

Royal-Liverpool Names Two for H. O. Promotion

Royal-Liverpool group has appointed August Westphal assistant secretary. A. A. Christian will succeed him as manager of the bonding department. Mr. Christian is transferring to New York from San Francisco where he is manager of the bonding department.

Mr. Westphal has been in the bonding department for 43 years and in order to prepare for succession on his retirement, will relinquish day-to-day administration of the department. His duties now will be as consultant.

Mr. Christian has had 26 years of experience in bonding and he joined the group eight years ago in California.

Reinsurance Corp. Ups Cochran, Collier

William W. Cochran has been elected executive vice-president of Reinsurance Corp. of New York and its associated company, National Re. Gerit S. Collier was elected assistant secretary of both companies.

Mr. Cochran entered Wall Street in 1929 and in 1938 joined American. After air corps service he returned to American but transferred his interests to insurance operations. In 1950 he joined his present companies as a vice-president and director.

Mr. Collier joined Reinsurance Corp. in 1951.

State Capital Names Aimone Executive V.-P.

State Capital Ins. Co. Raleigh, N. C., has elected William F. Aimone executive vice-president. He will be in charge of the company's multiple line expansion.

Mr. Aimone was formerly assistant secretary in charge of nationwide fire, inland marine and multiple line activities for American Casualty and is a former special agent of Home. He was also assistant manager of insurance department of American Trust Co. at Charlotte.

Larson Appointed Lumber Manager of Kemper Cos.

Leonard W. Larson, manager of the companies' division of Lumbermen's Mutual Casualty, has been named head of the lumber division of the Kemper companies.

Mr. Larson joined Lumbermen in 1927 and has served in sales, administrative and executive capacities with the company continuously except for three years military absence. He was discharged an army air corps major. A past president of Chicago CPCU chapter, he is now chairman of the meeting committee of the national CPCU society.

Would Require \$100,000 for FR

A bill introduced in the Vermont legislature would amend the financial responsibility law to provide that if a person wishes to be a self-insurer under the motor vehicle act, he must have at least \$100,000 unencumbered capital.

Harriman Insurer Stockholder

Gov. Harriman of New York listed holdings of more than \$10,000 in American Automobile stock, when he registered under the ethics code which was adopted in New York last year for state officials.

Neenah Insurance Board at its last meeting heard an explanation of new dwelling forms and coverages by a panel composed of H. E. Schwenke, National Union; Thomas Irvine, National Fire, and Robert Mielke, Phoenix of London.



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EDITORIAL COMMENT

Insurers and Agents Must Live Together

The criticisms of loss handling that have grown out of Hurricanes Carol, Edna and Hazel make one thing clear.

The companies and producers have to live together, whether they like it or not, and the tone of interchanges within the business ought to be that of reasonable men who have common problems and who must rely upon each other to solve them, for the benefit of themselves and the public.

You don't kick a guy in the shins if you want him to do something for you or with you. Yet the March 1 publication of Insurance Brokers Assn. of Massachusetts, *Lines for Brokers*, is written in a tone that comes close to saying to hell with the companies, they didn't do nothing right after Carol and Edna, and, what is more, they never will.

It seems unlikely that this is what the brokers intended really to say. If it were, it reminds us of the woman who was complaining about men but finally had to conclude, "What else is there?"

Yet aside from its intemperate tone, the bulletin points out—as has been done elsewhere by others also—things done that should not have been and things not done that ought to have been. These should be studied and wherever possible corrected. There is evidence that they are being studied and efforts made to effect improvement.

Yet one of the obvious facts about the hurricanes appears not to mean much to critics. That fact is that two hurricanes in less than two weeks, of the ferocity and widespread impact of Carol and Edna, (not to mention Hazel) present the business with a task so monstrous it cannot be handled with ordinary dispatch and quality. So great a catastrophe imposes unusual difficulties on insurers, producers and the public, and we do not believe that everyone affected can completely recover from the experience without enduring some bother, discomfort and delay. It is a common disaster.

If insurers had known what was coming, they would have been better prepared to deliver the kind of service they do on normal losses. If producers had known, undoubtedly they would have insisted on making clear to insured along the coast that wave wash is not insured in extended coverage.

When a disaster of unprecedented magnitude strikes, those who must deal with it may find that the tools and plans they had prepared in advance are not adequate or proper for the situation. Producers, field men, adjusters and company organizations found this to be the case with the three big 1954 hurricanes.

However, if there have been and still are plenty of hurricane criticisms,

there are also indications that the business has learned much and is doing something with the education. An example is National Board, which has been a favorite target of criticism. It is demonstrating that it can learn and apply what it has learned to the improvement of procedures and plans.

One criticism of the catastrophe plan in Massachusetts was that not enough was said in advertising and otherwise by those in charge of the plan, and it wasn't said quickly enough. In the storms since the hurricanes more has been said more quickly, and this is to be increased. It is indicated that the board will augment its catastrophe staff and arrange for securing temporary personnel to staff supervisory offices. Also there will be more, more accurate and speedier weather information so that catastrophe plan personnel can get into operation hours earlier what action needs to be taken quickly, once a big storm has struck.

During a recent storm, New York was talking by telephone to a midwest city—getting the catastrophe program alerted—when the window of the office in the midwest city was blown-in by the storm. Which is being on top of the situation about as quickly as is possible.

One constructive suggestion by an agent as a result of Carol and Edna is greater use of TV—after power has been restored, of course. It was hard to get insured to realize after the hurricanes that the business had every available man working to the limit of endurance to get losses settled and paid—and that this still was not enough so that everyone could get prompt attention. A few TV programs showing adjusters settling losses and inspecting properties with flashlights might prove helpful.

Sifting other complaints to determine the big, tough ones, wave wash damage rises with some menace. This is a rough problem, one which may not have a good answer. The insurers can afford to write it only at a price few, if any, insured could afford to pay. In the three eastern hurricanes, where so much property was bashed by wind and water, some insured may honestly have believed that they had hurricane insurance and that their wave wash damage was insured under extended coverage. But of course they did not, it was not—the contract is clear in its exclusions.

Obviously no one with substantial wave wash damage could be made happy by all the advertising in the world. He had to learn the hard way the terms of the policy he did not read and that the producer may not have made clear on this point.

Probably the business cannot with

propriety or hope of benefit debate in the public press the technical coverage of a policy. Individual insurers would not allow it, and producers would not like it. Yet in all that has been written and said and advertised about the hurricanes, there was little, if anything, about the fact that EC is a contract which excludes wave wash.

Another source of difficulty was the variation in adjusting standards, principally on the application—or non-application—of depreciation. This is hardly surprising; it happens every day on normal losses. But in a common disaster where many insured who are neighbors suffer losses it produces strong—and, it must be admitted, justified—discontent. The effort of company organizations is, of course, to establish standard adjusting procedures and maintain them. This is one problem that is bound to get more attention in future catastrophes.

Another source of aggravation was the adjusting of losses in what appeared to insured a helter skelter order. One insured's loss was adjusted; two neighbors waited for weeks. Only geographic loss to loss settlements would dry up this source of public complaint. That might well be very hard to achieve. But in any disaster that does so much damage to so much property that is contiguous or neighboring, trouble inevitably arises from hit and miss adjusting. This is true even if it could be argued—which it cannot entirely be for the 1954 hurricanes—that adjusters were taking the seriously damaged properties first.

The hurricanes convinced many agents of the un wisdom of writing several policies on one house. The tendency in recent years has been away from this practice. But the difficulties of getting a property adjusted that is valued as low as \$10,000 when it is insured in four companies have led many producers to end the practice altogether. Instances where one insured had several properties on which coverage was placed through more than one agency gave agencies and insured a fit. Insured could help himself by placing all of his business through one office.

Insured could not understand—and it is very hard to explain to neighbors—the application of a \$50 deductible to the house and another to the garage if they were not "connected". In some instances this connection mounted to no more than a rose trellis. The public reaction to this one was bad.

Other difficulties arose. Adjusters from other territories were slowed up by differences in coverage. Many of these localized variations seem less than important under such circumstances. Certainly there appears to be a need to study extended coverage with the idea of coming as close as practicable to a standardized, uniform, nationwide EC.

Another characteristic of the criticism arising out of the hurricanes and the handling of insured damage has been the tendency to criticize the

other fellow. This is quite proper, if constructive and reasonable, but it leads us to emphasize that when real trouble starts, each part of the business should do well all of the things it is supposed to do.

As time goes on and the business becomes accustomed to handling the fantastic and astonishing, each part of the business undoubtedly will increase its effectiveness, with a superior overall result. Companies and their organizations, adjusters and producers each has learned a good deal from the hurricanes and their response to future catastrophes will be more disciplined and effective.

Not only must the companies and producers live together, but they have to live with hurricanes, tornadoes and other monstrosities. The problems that arise can only be solved by clear thinking, hard work, cooperation—and patience.

PERSONALS

T. L. Osborn of Chicago, who is retiring as board chairman of the agency of Osborn, Lange & Co., has an insurance span of 55 years with interesting linkage to Great Lakes marine business. The agency was formed in 1898 primarily to handle Great Lakes marine insurance. During the flourishing days of the lake vessels Osborn &



T. L. Osborn

Co. and its successor agency placed insurance for the great lumber fleets, marine and ore carriers and for almost all of the passenger steamers on the lakes. In recent years the agency's business has been diversified but veteran marine men in the U. S. and in London well remember Mr. Osborn and his two brothers for the marine business they handled for so many years.

Mr. Osborn was born at Greenville, Mich., in 1881. F. H. Osborn, an older brother who had been an average adjuster, in 1898 formed the firm of F. H. Osborn & Co. T. L. Osborn, who had been with a Chicago Board of Trade firm for two years, joined him in 1900. Soon they were joined by their younger brother, Clair Osborn. The firm was incorporated in 1923 as Osborn & Lange, and T. L. Osborn was president and treasurer from then until 1948 when he became chairman.

Mr. Osborn is a director of First National Bank of Highland Park, Ill., and trustee of Highland Park Presbyterian Church. He is a former regional vice-president of the Propeller Club. He is fond of travel by water and he enjoys ship launchings. He will go a long way to accept an invitation to such an event.

His son is T. L. Osborn, Jr., who is

THE NATIONAL UNDERWRITER

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PITTSBURGH 22, PA.—503 Columbia Bldg., Tel. Court 1-2494. Bernard J. Gold, Resident Manager.

SAN FRANCISCO 4, CAL.—Flatiron Bldg., 544 Market St., Tel. Exbrook 2-3054. F. W. Bland, Pacific Coast Manager.

vice-president of American Manufacturers Mutual of Chicago.

Morton T. Jones, president of Kansas City F. & M. and managing director of R. B. Jones & Sons agency, has been named the 1955 honor man of the year for outstanding public achievement by the Greater Kansas City Alumni Assn. of Sigma Alpha Epsilon fraternity. In addition to many activities outside the insurance field, Mr. Jones won the honor for serving as president of the Missouri Insurance Council in 1939-40.

Gilbert Bartling Jr. of the Bartling agency of Kansas City, Kan., has returned from a trip to London where he visited Lloyds and various reinsurance and surplus line markets.

Bernard L. Boutin, manager of Boutin agency in Laconia, N. H., has been inaugurated as mayor, succeeding Gerard L. Morin of Morin agency.

Elmer K. Rupp, veteran insurance journalist of Los Angeles, was honored last week at the insurance committee meeting of Los Angeles Chamber of Commerce. Mr. Rupp, who has been reporting insurance news for 32 years, was presented a handsome pen and pencil set by J. T. Silveira, manager of Pacific Fire Rating Bureau at Los Angeles.

E. D. Lawson, vice-president and western manager of Fireman's Fund group, is marking his 25th year with the company this week. He started as manager of the marine department at Chicago in 1930, and eight years later was made manager of the fire department also. He was elected vice-president of the group in 1949 and now is in charge of the western department combined operations, which last year produced \$36 million in premiums.

John J. O'Toole, vice-president and secretary of F. D. Hirschberg & Co. agency of St. Louis, was presented a special safety citation from the director of public safety of St. Louis at the anniversary fire department dinner sponsored by St. Louis Insurance Board. The dinner was a tribute to the 29 members of the St. Louis fire department and Chief Otto Jordan of the St. Louis Salvage Corps, each of

whom has at least 40 years of service to his credit. Mr. O'Toole was in attendance and it was a complete surprise when he was called forward to receive the citation recognizing his work through the years in the field of fire prevention and safety. Mr. O'Toole is the former chairman of the fire prevention and safety committee of National Assn. of Insurance Agents.

Clarence L. Rauter, assistant manager of Interbureau Insurance Advisory Group, who was scheduled to speak on the comprehensive dwelling policy at the New Jersey Assn. of Insurance Agents' mid-year meeting at Asbury Park, was not able to attend because his wife gave birth to a 7-pound son the morning the convention started. He was replaced by Harry Perlet, General manager of Interbureau.

DEATHS

PAUL V. McNUTT, the former governor of Indiana who died last week, was prominent in the insurance business. He was general counsel of American International Insurance group and a director of American International Underwriters, American Home, American International Marine Agency and American International of Hong Kong. He was also chairman of Philippine American Life, American Life of Delaware and U. S. Life.

HENRY CROSLLEY, 57, claims superintendent for Glens Falls group in the central department at Chicago, died at his home in Elmhurst, Ill. Mr. Crosley entered the insurance business as an adjuster and joined Glens Falls in 1922 as claim superintendent. He was a past president of Casualty Adjuster's Assn. of Chicago and Claims Managers Council.

ALLAN F. WILSON, 63, Kansas state agent of Springfield F. & M., died suddenly at his home in Topeka. Mr. Wilson started his career in the banking business, and in 1921 was appointed special agent for Springfield F. & M. in Kansas. He had been with the company in the southern part of the state continuously.

J. GORDON DAVIS, 42, president of United Insurance agency of Springdale, Ark., died after an illness of several months. Mr. Davis started in business with the Worthen Bank & Trust Co. of Little Rock, becoming a member of the insurance department just before the last war. After service in the navy he joined Loyalty group as

Arkansas special agent, and subsequently he was with the Security agency at Stephens and later with Leavell R. Smith & Co. at Stuttgart, before joining Aetna Fire as special agent in northwest Arkansas. He became president of United agency last year.

LOUIS D. BURKHALTER, 76, veteran local agent of Cedar Rapids, Ia., died after a short illness. He opened his agency in 1909 and had been associated with his son, Louis D. Burkhalter Jr. in the agency in recent years.

JAMES D. JOHNSON, 73, who operated the J. D. Johnson & Son local agency at Decatur, Ill., died there. The agency was founded in 1885 by his father. T. Douglas Johnson, son of James Johnson, who has been with the agency for several years, will continue the business.

HERBERT N. LENTON, who has been field supervisor for Fred L. Gray Co. of Minneapolis, died at his home in Rochester. He had been with the Gray Co. for 12 years, traveling primarily in Minnesota.

NORMAN DUFFIELD, 63, founder and president of the Norman Duffield & Co. general agency at Buffalo, died there. He founded the agency in 1919. He was a past president of the Williams College Alumni Assn. of Western New York.

J. E. JORDAN JR., who has been associated with Phillips agency in Birmingham, Ala., died there. He was manager of Engel agency in Birmingham before becoming state agent for Cowan & Mahone of Atlanta, which he left last year to join the Phillips agency.

JOHN J. BLACKFORD, 84, retired vice-president of the Robert F. Coleman Co., insurance brokerage firm of New York, died in Yonkers, where he lived. He was with the brokerage firm 27 years until he retired in 1950.

CLYDE W. RICHERT SR., 83, associated with the D. A. Fisher local agency in Memphis, Tenn., since 1910, died there. For nearly 50 years he promoted free band concerts.

MRS. BENNETT B. BEAN, whose husband retired about six years ago as Kentucky state agent of Commercial Union, died after an illness of several months.

JOHN H. KIRKER, 72, retired treasurer of Fidelity & Guaranty, which merged into U.S.F. & G., died at Balti-

more. He retired in 1947. He joined F. & G. Fire as an auditor in 1929 and was elected treasurer in 1931. For some years he was chief accountant of First Russian Re.

FELTON T. SANDERS, 66, owner and manager of a Harriman, Tenn., local agency for many years, died there.

G. A. OLIVER, district sales manager of Retail Credit Co. in New York, died there. He had been with the firm since 1951.

EDGAR F. AVERILL, 73, local agent at Portland, Ore., since 1921, died there.

GEORGE S. DUVAL, 64, president of Underwriters Survey & Adjusting Co., Philadelphia, died there.

LLOYD G. MILLER, 73, prominent Chicago Insurance broker, died there after several years' illness. For 25 years he represented American Bonding in the probate court and served in the same capacity for five previously for Columbia Casualty. A son, Roland G., was associated with him in the business.

STOCKS

By H. W. Cornelius, Bacon, Whipple & Co.
135 S. LaSalle St., Chicago, March 29, 1955

	Div.	Bid	Asked
Aetna Casualty	3.00*	128	193
Aetna Fire	2.40	72½	74
Aetna Life	3.00	181	184
Agricultural	1.60	35½	36½
American Equitable	1.70	37½	39
American Auto	1.20	29½	31
American (N. J.)	1.20	33½	34½
American Motorists	.24	15½	16½
American Surety	3.00	81	83
Boston	1.60	42	43½
Camden Fire	1.15*	29½	30½
Continental Casualty	1.40	109	112
Crum & Forster com	2.00	87	89
Federal	.80	34½	35½
Fire Association	2.20	56½	58
Fireman's Fund	1.80	72	73½
Firemen's (N. J.)	1.05	44½	45½
General Reinsurance	1.80	50	52
Glens Falls	2.00	78	80
Globe & Republic	.90	21½	22½
Great American Fire	1.50	43½	44½
Hartford Fire	3.00	158	160
Hanover Fire	2.00	44	45
Home (N. Y.)	2.00	47	48
Ins. Co. of N. America	2.50	110½	112
Maryland Casualty	1.40	41	42
Mass. Bonding	1.50*	41½	43
National Casualty	1.50*	36	40
National Fire	3.00	95½	97½
National Union	2.00	48½	50
New Amsterdam Cas.	1.80	56	57
New Hampshire	2.00	50	52
North River	1.40	36½	37½
Ohio Casualty	1.80*	79	Bid
Phoenix Conn.	3.40	89	91
Prov. Wash.	1.00	26½	27½
St. Paul F. & M.	1.10	52½	53
Security Conn.	1.60	46½	47½
Springfield F. & M.	2.00	58	60
Standard Accident	1.80	80	82
Travelers	19.00*	2075	2095
U. S. F. & G.	2.00	74	75½
U. S. Fire	1.80	53	54½

*Includes Extras.

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Combs Discusses Public Relations at EAC Meeting

(CONTINUED FROM PAGE 12)

which companies and agents are confronted today in their efforts to serve the public. But despite the fact that every effort is made to avoid friction and misunderstanding, legalistic gymnastics may be used to gain a pecuniary advantage not contemplated by the policy coverage and clearly not paid for in the premium.

Another cause for misunderstanding, sometimes leading to lawsuits, he said, is the inclusion under care, custody and control, or as is sometimes used, the words "in charge of."

This exclusion obviously is necessary if the premium is to be kept within reasonable bounds. If insured were to be permitted to deal as he willed, without cost to himself, with property coming within these categories there would be a great deal more carelessness and losses would go beyond all reasonable bounds.

It may be said, Mr. Combs continued, that the primary reason for including the exclusion of care, custody and control in the policy is to keep from overlapping into the field of inland marine and, of course, to furnish broad, general coverage suitable in the majority of cases at a premium commensurate with the limited risk.

Incidentally, he said, on any risk involving construction, if insured does not purchase coverage for collapse, explosion, or underground damage, the policy does not cover property damage caused by any of these hazards. It is a little late to ask for a covering endorsement after the policy has been written since the risk involved might not have been accepted in the first instance if it were known that these hazards were to be covered. They can be covered, but under no circumstances would a careful underwriter accept such coverage without a complete engineering survey of all the circumstances involved before coverage is granted.

Another possible source of misunderstanding reviewed by Mr. Combs was the mysterious disappearance clause of the residence and outside theft policy, which is intended primarily to cover what its name implies— thefts from the residence—premises and thefts from outside, with certain limits. Theft is defined as including larceny, burglary, and robbery.

In order to make it easier for the insured to recover, mysterious disappearance, except of a precious or semi-precious stone from its setting, is presumed to be due to theft. This clause means just what it says and

does not mean that the mere loss of an article is covered. All-loss coverage could not possibly be included for the present premium charged.

He noted that the cases he cited represent a very small percentage of all cases handled by the claim departments of companies. Indeed, complaints of all sorts are very few in number.

Unfortunately, however, all mistakes or misunderstandings cause irritation which begets public ill will for the industry. Therefore it behooves policy writers, underwriters, claim men, and agents to struggle hard to reduce even this minimum number of causes of friction with the purchasers of policies.

He said a good claim man tries to find a reason for paying a claim rather than a reason for denying liability. He uses defenses as a shield and not as a sword; but unless proper defenses are used to restrict payment in accordance with the policy contract, losses would necessarily increase the policy cost and, in turn, restrict the marketability of a good policy which covers all reasonable insurance needs.

Again, the moral of all this, Mr. Combs pointed out, is that no "overnight amateur" should assume the responsibility of selling insurance. A trained agent has to know a lot more than the cost of 10/20 limits on an automobile. He has to have more than the ability to be able to quote the cost of a fire policy on a residence.

He has to have the gumption to quote a price for proper and complete insurance to meet every catastrophe contingency which may confront his customer. The competent agent will tell his client not to barter for his insurance with an eye to saving a few dollars and thereby running the risk of losing thousands.

The trained agent will, he said, familiarize himself with the financial standing of his client and all of his insurance needs, and he will sell him a package of policies protecting against every foreseeable contingency.

The peace of mind which will ensue to the client of a good insurance agent will be worth far more when catastrophe strikes than the few dollars which may be saved by the piecemeal purchase of cut-rate insurance.

There is no competition which cannot be overcome by the qualified agent. His earnings today are limited only by the amount of time and effort he gives to the production of business. The field is unlimited and the need is great. There is nothing in sight which should change this picture. This country is growing by leaps and bounds, and prosperity will continue.

Mr. Combs concluded there is plenty of good business for the competent, hustling agent.

S. C. Premium Tax Fought

A proposed 2% premium tax on domestic insurance companies, if approved, would drive a substantial number of them out of business, the South Carolina senate finance committee was told by a group representing approximately 60 insurers. They also objected to a proposed reduction in the rebate on the 3% premium tax to foreign companies making investments in state securities.

The bay area office of Casualty of California will move to 221 Pine street, San Francisco, April 1. William Logan, manager, will continue to head northern California operations.

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Show 1954 Casualty Direct Premiums and Net Incurred Losses for Illinois

Business in the tables below is on the basis of direct premiums written and net losses incurred, with the exception that for reinsurance companies and a few companies doing only a reinsurance business in Illinois, net premiums written and net losses incurred are shown. The purpose of showing direct premiums is to reflect the gross business of insurers in Illinois before reinsurance. Because losses incurred reflect loss results after reinsurance transactions, the direct premiums and losses incurred figures cannot be used to determine loss ratios.

Total premiums and losses shown for the individual companies include all business written in Illinois, even those classes (such as fire, EC, property damage other than auto, etc.) not shown in the tables. Fire companies are included when the volume of their casualty business is \$5,000 or more in addition to auto physical damage.

	Total Premiums and Losses \$	Work. Comp. Premiums and Losses \$	General Liab. Premiums and Losses \$	Auto. Liab. Premiums and Losses \$	Auto. PDL Premiums and Losses \$	Auto. PHD Premiums and Losses \$	Fidel. & Sundry Premiums and Losses \$	Plate Glass Premiums and Losses \$	Burg. & Theft Premiums and Losses \$
Acc & Cas	490,388	77,874	37,432	95,290	47,677	46,609	11,501	5,205	15,960
Aetna Cas	238,178	30,287	4,573	56,139	43,522	18,365	2,891	1,392	12,404
Aetna Fire	9,022,866	2,934,015	1,496,605	2,120,598	1,006,294	962,801	109,101	331,659	173,949
Allied M C	3,431,711	1,489,659	715,667	1,529,282	472,587	436,433	108	733	432
Allstate	6,230,757	644	278	190	60	142,775	769	8	—33
Amer Ag Mut	3,409,764	1,785	—30	413	244	87	238	123	—
Amer Auto	22,156,599	105,955	9,769,745	4,254,515	7,915,889	—	—	—	—
Amer Aviation	12,600,533	30,924	8,169,249	2,316,514	2,061,159	—	—	—	—
Amer Bonding	199,619	—	—	1,096	—	—	—	—	—
Amer Bowlers M	5,335,176	545,804	421,729	2,744,534	1,330,940	141,587	99,033	151,550	—
Amer Casualty	2,711,584	248,556	160,549	1,593,749	569,586	29,407	38,783	70,899	—
Am Eagle Fire	525,874	30,920	12,245	64,244	35,937	221,323	2,804	1,392	12,404
Amer Empl	250,224	—	—	—	—	—	—	—	—
Amer F&C, Va	269,520	1,729	—	—	—	204,134	11,971	39,500	—
Amer Guar	53,982	53,982	—	—	—	—	—	—	—
Amer Indem	21,956	27,956	—	—	—	—	—	—	—
Amer Motorists	3,057,715	551,806	276,573	685,636	319,250	105,641	34,666	117,427	—
Am Nat Fire	792,375	97,914	46,213	203,439	113,802	61,260	8,877	4,407	39,279
Amer Pchldrs	1,358,123	—	—	232,886	106,828	192,488	—	—	—
Amer Re	498,684	—	—	—	—	72,746	—	—	—
Amer States	1,067,478	212,156	179,684	234,691	104,724	69,141	62,203	32,966	70,184
Anchor Cas	376,624	127,671	39,699	59,661	38,790	18,359	25,265	12,256	27,548
Assoc Ind	568,424	20,784	23,008	146,666	78,974	162,823	1,019	4,082	—
Atlantic, Tex.	1,581,436	622	6,059	1,121,649	454,812	—	—	—	—
Atlantic Mut	766,222	—	—	490,746	280,794	—	—	—	—
Auto Club, Mo	376,549	7,227	1,550	3,443	1,528	7,068	103,213	—	33,143
Auto-Owners	10,713	352	—	—	—	—	—	—	—
Beacon M Ind	1,090,788	96,092	363,181	185,713	160,118	3,685	125,228	45,583	—
Bitum Cas	436,961	39,308	163,685	97,755	51,137	3,518	56,555	12,147	—
Blackhawk M	9,648,155	844,130	591,339	1,117,163	512,950	850,447	3,720	102,627	179,612
Cap Cas M, Ill	4,968,668	371,551	242,111	826,704	289,867	364,798	545	47,630	130,623
Cas Ind Ex	2,513,253	844,480	293,175	424,975	189,310	285,977	40,666	3,184	18,145
Cas Mut, Ill	1,310,774	462,535	212,137	289,997	69,029	99,155	1,824	3,459	5,641
Cent Mut	2,359,407	1,509,300	210,180	287,312	151,101	11,896	12,215	2,360	11,296
Cent Natl	1,402,242	830,725	80,564	211,187	86,633	3,687	23,662	549	7,163
Cent Sec Mut	341,883	—	—	50,732	22,609	40,755	—	—	—
Central Surety	231,768	—	—	32,250	14,489	19,589	—	—	—
Century Ind	—230	—	—	5	11	—	—	—	—
Chgo Ice Prod M	1,410,235	10,537	71,288	784,101	38,496	865	471,571	298	20,463
Chgo Mot Cl	623,625	—54,944	78,006	397,080	—	—	195,379	7,604	—
Chgo M Pl Gl	3,605,136	660,691	392,193	719,468	442,090	619,566	50,485	29,760	70,556
Citizens Cas	1,429,136	343,507	70,933	273,412	204,041	229,003	6,888	11,079	28,234
Citizens, N J	1,642,170	253,881	255,054	327,176	167,966	155,679	348,535	22,739	73,138
Coal Op Cas	1,023,932	142,287	134,432	264,670	78,099	74,223	242,198	10,969	56,161
Columbia Cas	4,098	—7	131	526	322	292	3,728	192	—13
Commercial	28,083	—50	—6,922	15,631	—1,173	—1,494	21,760	213	3
Comm'l Std	—139	—1,054	833	—	—129	—1,436	—	—	—775
Conn Fire	1,410,235	10,537	71,288	784,101	38,496	865	471,571	298	20,463
Conn Ind	623,625	—54,944	78,006	397,080	—	—	195,379	7,604	—
Consol Unds	3,605,136	660,691	392,193	719,468	442,090	619,566	50,485	29,760	70,556
Cont Cas	1,429,136	343,507	70,933	273,412	204,041	229,003	6,888	11,079	28,234
Continental	1,642,170	253,881	255,054	327,176	167,966	155,679	348,535	22,739	73,138
Cook Co Fmrs	1,023,932	142,287	134,432	264,670	78,099	74,223	242,198	10,969	56,161
Countr M C	4,098	—7	131	526	322	292	3,728	192	—13
Detroit F&M	28,083	—50	—6,922	15,631	—1,173	—1,494	21,760	213	3
Dub F&M	—139	—1,054	833	—	—129	—1,436	—	—	—775
Eagle Fire	1,410,235	10,537	71,288	784,101	38,496	865	471,571	298	20,463
Eagle Star	623,625	—54,944	78,006	397,080	—	—	195,379	7,604	—
Econ F&C	3,605,136	660,691	392,193	719,468	442,090	619,566	50,485	29,760	70,556
Elec M Liab	1,429,136	343,507	70,933	273,412	204,041	229,003	6,888	11,079	28,234
Empl Cas	1,642,170	253,881	255,054	327,176	167,966	155,679	348,535	22,739	73,138
Empl Fire	1,023,932	142,287	134,432	264,670	78,099	74,223	242,198	10,969	56,161
Empl Liab	4,098	—7	131	526	322	292	3,728	192	—13
Empl M C, Ia	28,083	—50	—6,922	15,631	—1,173	—1,494	21,760	213	3
Empl M L, Wis	—139	—1,054	833	—	—129	—1,436	—	—	—775
Empl Re	1,410,235	10,537	71,288	784,101	38,496	865	471,571	298	20,463
Equit F&M	623,625	—54,944	78,006	397,080	—	—	195,379	7,604	—
Equity Mut	3,605,136	660,691	392,193	719,468	442,090	619,566	50,485	29,760	70,556
Excel	1,429,136	343,507	70,933	273,412	204,041	229,003	6,888	11,079	28,234
Exch Assn	1,642,170	253,881	255,054	327,176	167,966	155,679	348,535	22,739	73,138
Exchange	1,023,932	142,287	134,432	264,670	78,099	74,223	242,198	10,969	56,161
Fac Mut Liab	4,098	—7	131	526	322	292	3,728	192	—13
Fmrs Auto, Ill	28,083	—50	—6,922	15,631	—1,173	—1,494	21,760	213	3
Fmrs El M C	—139	—1,054	833	—	—129	—1,436	—	—	—775

	Total Premiums and Losses \$	Work. Comp. Premiums and Losses \$	General Liab. Premiums and Losses \$	Auto. Liab. Premiums and Losses \$	Auto. PDL Premiums and Losses \$	Auto. PHD Premiums and Losses \$	Fidel. & Sundry Premiums and Losses \$	Plate Glass Premiums and Losses \$	Burg. & Theft Premiums and Losses \$
Capitol Ind	37,006						37,006		
Car & Gen	226,807	37,894	15,677	108,165	48,793		—573	5,866	10,976
	279,957	40,762	11,374	175,937	36,778		—914	7,312	8,708
Carolina Cas	39,180			8,217	5,619	—34	25,378		
	2,486			1,832	1,404		—750		
Cas Ind Ex	34,589		32,591					1,998	
Cas Mut, Ill.	1,276,887	1,055,043	221,844						
	591,842	443,302	48,540						
Cas Recip Ex	280,825	114,321	17,874	90,465	39,333	10,497		1,179	1,328
	138,367	53,934	8,177	62,379	8,515	2,281		129	—5
Central Mut	285,293					30,104		2,171	56
	26,722					4,663		2,116	
Central Natl	1,714,445			16,332	8,830	1,574,316		21,035	
	761,801			9,492	638	742,523			
Cen Sec Mut	107,703			48,155	21,780	37,931			
	35,063			14,054	6,922	11,729			
Central Surety	234,088	90,263	13,223	32,221	16,247	23,834	26,993	1,546	2,831
	72,444	25,130	1,458	22,450	6,955	13,766	—5,736	329	742
Century Ind	2,765,177	501,324	374,936	1,105,928	521,162		88,165	53,956	107,799
	1,344,743	339,798	97,333	586,443	230,936		10,734	23,614	50,310
Chgo Ice Prod M	273,267	77,438	19,124	91,492	47,962	36,770			
	98,440	41,501	5,192	28,925	15,264	7,558			
Chgo Mot Cl	8,046,393			2,792,168	1,382,869	3,332,162			
	4,449,804			1,844,639	781,693	1,510,857			
Chgo M Pl Gl	23,324							23,324	
	14,737							14,737	
Citizens Cas	416,192	6,573	384,682	15,011	9,876		50		
	471,376	217	469,715	5,510	4,087				
Citizens, N J	1,866,974		27	2,668	1,533	355,384		66	133
	801,263			200	831	140,714			
Coal Op Cas	61	58	3						
	—285								
Columbia Cas	965,695	233,340	142,704	299,931	100,298	1,282	73,495	39,569	61,829
	521,679	100,999	36,086	157,184	41,035	127	5,271	20,004	21,449
Commercial	2,866,679	110,991	410,106	747,450	338,621	160,797	47,777	93,234	124,014
	1,481,541	31,057	248,228	544,093	91,951	54,710	6,735	45,175	43,576
Comm'l Std	115,178	22,118	7,324	28,149	16,856	17,936		1,034	1,566
	86,813	34,453	407	30,727	6,942	11,850		253	1,099
Conn Fire	1,206,716	844	1,416	6,259	2,586	367,283	139	382	528
	555,423	346		33	2,946	158,810			25
Conn Ind	160,975		6,926	19,192	9,705	36,596	702	1,455	2,170
	33,815		3,511	2,191	4,070	9,489		771	449
Consol Unds	1,492,017	226,090	20,345	525,893	224,799	49,209			
	756,006	114,146	8,698	339,541	115,671	177,949			
Cont Cas	16,255,393	1,920,883	884,693	2,016,070	959,850	343,605	657,532	105,615	274,633
	7,634,897	1,050,796	329,448	1,409,787	507,068	126,953	134,189	41,963	145,756
Continental	4,791,689			113,530	50,860	230,759			
	1,964,378					84,121			
Cook Co Fmrs	237,887		4,296	63,140	38,368	132,083			
	120,568		579	52,876	22,320	44,793			
Country M C	17,137,468		1,009,334	3,247,345	2,441,674	9,565,860	8,997		
	8,209,785		350,119	1,925,397	1,250,881	4,299,784			
Detroit F&M	305,631		10	8,354	5,810	11,740		41	—6
	181,057			3,930	1,601	1,814			
Dub F&M	828,008		13,768	121,395	54,532	99,419		1,493	3,540
	336,414	183	1,723	71,681	33,784	30,718		336	2,223
Eagle Fire	43,181		180	1,346	735	3,243			369
	18,684			768	365	2,294			16
Eagle Star	116,256		50,917						
	25,707		—6,222						
Econ F&C	3,471,251		24,145	1,127,812	679,324	1,372,909		266	
	1,235,078		1,425	422,890	292,142	438,786		—14	
Elec M Liab	118,048	82,910	20,618	9,557	4,963				
	23,417	16,014	6,300	—1,420	2,508				
Empl Cas	2,390,983	9,667	2,389	39,218	23,548	45,616		256	—400
	62,089	12,165	—170	21,662	8,794	19,783		738	
Empl Fire	613,763	432	1,062	660	301	16,006		35	5,131
	142,573		72			14,558		135	—216
Empl Liab	2,627,411	799,555	495,378	447,228	230,335	171,927	74,733	34,497	102,180
	1,075,599	425,147	105,471	266,169	85,958	40,665	34,302	15,931	44,034
Empl M C, Ia	2,311,168	722,397	181,584	753,591	365,095	197,151	3,833	3,544	8,017
	1,440,246	336,723	42,602	588,785	264,144	391,143		1,607	3,562
Empl M L, Wis	5,755,285	3,759,231	790,936	346,268	198,246		—190	8,767	63,265
	4,133,613	2,706,814	479,793	378,455	129,213	51,290	6,784	5,221	20,815
Empl Re	1,470,989	123,063	191,853	692,320	20,797	621	119,205	955	15,567
	493,817	47,160	60,696	225,160			40,781	8,887	
Equit F&M	636,609	2,311	1,318	5,761	2,808	144,406			491
	281,434	5	239	15	503	61,202			92
Equity Mut	87,465	46,362	9,575	14,855	7,857	9,614	648	70	
	54,757	20,804	6,022	18,873	6,664	2,394			
Excel	4,952			4,824	201	—73			
Exch Assn	1,005,701	441,374	105,355	271,813	147,106	40,052			
	525,833	228,336	104,386	128,281	50,264	14,566			
Exchange	1,380,870		674,977	516,148	179,089	10,665			
	219,495		69,497	113,679	35,913	40,605			
Fac Mut Liab	325,614		3,651	145,569	65,877	106,693		5,745	
	107,949		—37,509	18,873	24,335	24,335			948
Fmrs Auto, Ill	4,287,206		33,783	1,099,733	753,464	1,921,014			
	2,047,450		4,042	622,253	388,203	883,330			
Fmrs El M C	35,336	5,660	931	959	775	2,420	1,064		161
	1,424	913	133			143	2		

	Total Prem. and Losses	Work. Comp. Prem. and Losses	General Liab. Prem. and Losses	Auto. Liab. Prem. and Losses	Auto. P.D.L. Prem. and Losses	Auto. P.H.D. Prem. and Losses	Fidel. Surety Prem. and Losses	Plate Glass Prem. and Losses	Burg. Theft Prem. and Losses		Total Prem. and Losses	Work. Comp. Prem. and Losses	General Liab. Prem. and Losses	Auto. Liab. Prem. and Losses	Auto. P.D.L. Prem. and Losses	Auto. P.H.D. Prem. and Losses	Fidel. Surety Prem. and Losses	Plate Glass Prem. and Losses	Burg. Theft Prem. and Losses	
Farmers Ex	1,896,453	.....	10,617	744,133	445,921	695,593	.....	.....	.....	Mfrs Cas	1,729,777	356,514	263,318	457,671	265,785	222,076	110,701	40,963	65,333	SPR
1,558,534	.....	1,525	789,320	277,108	490,581	.....	.....	.....	.....	877,716	203,637	127,325	250,730	95,827	96,151	16,518	25,490	.....	.....	Star
Fmrs M Auto	79,751	.....	925	30,376	10,645	33,159	.....	.....	438	Md Cas	4,937,122	1,140,281	696,678	1,183,945	485,116	335,613	542,875	55,737	228,444	Star
31,833	.....	34	3,971	9,986	16,351	.....	.....	.....	305	2,424,292	519,208	351,526	895,587	291,631	99,556	77,183	26,112	78,877	Star	
Federal	2,299,412	2,002	15,299	20,935	9,134	587,276	395,799	554	14,399	Mass Bonding	1,783,676	401,349	296,044	410,457	179,780	59,530	175,564	25,000	87,725	Star
1,237,740	2,900	49,510	-9,521	4,370	269,521	41,422	432	13,274	.....	957,071	162,450	166,641	394,303	116,393	24,820	88,489	11,058	41,912	Star	
Fed M I & H	106,362	1,783	584	2,210	1,301	3,944	.....	.....	6	Mass F & M	506,472	.....	33,642	16,820	62,564	.....	18	3	Star	
61,759	743	90	-910	701	1,209	.....	.....	.....	.....	299,316	.....	26,446	11,240	22,151	.....	.....	.....	.....	Star	
Fid & Cas	11,623,035	2,729,213	1,180,990	2,769,069	1,291,526	1,871,154	455,782	130,647	411,645	Mass Pl Gl	200,071	.....	.....	.....	.....	.....	200,071	.....	.....	Star
4,761,417	1,394,129	454,032	1,586,230	663,031	.....	.....	124,946	66,636	288,713	110,275	.....	.....	.....	.....	.....	.....	110,275	.....	.....	Star
Fid & Dep	1,543,061	.....	3,255	.....	.....	.....	1,385,524	7,466	68,553	Med Prot	246,253	.....	246,253	.....	.....	.....	.....	.....	.....	Sub
230,197	.....	616	.....	.....	.....	.....	128,024	7,842	41,860	84,803	.....	84,803	.....	.....	.....	.....	.....	.....	.....	Sub
Fidelity Mut	139,753	.....	42,585	25,659	65,163	.....	.....	.....	.....	Merch Ind	391,638	19,243	24,475	111,026	789	.....	7,374	11,733	.....	San
68,430	.....	33,238	14,883	18,603	.....	.....	.....	.....	.....	220,295	5,813	142,319	63,452	689	.....	2,335	5,668	.....	.....	San
Fid-Phenix	3,353,997	.....	32,279	15,320	92,382	.....	.....	.....	.....	Mer M Pl Gl	13,706	6,853	.....	.....	.....	.....	13,706	6,853	.....	.....
1,362,315	.....	.....	.....	.....	35,689	.....	.....	.....	.....	8,533	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Fire Assn	1,135,992	36	649	1,144	521	185,767	3,937	76	945	Metro Cas	1,897,194	36,694	232,570	259,374	111,726	52,286	16,447	41,443	54,319	.....
489,602	.....	.....	.....	.....	39	85,941	.....	21	.....	1,199,308	19,891	87,929	181,035	39,566	16,775	15,803	23,642	36,501	.....
F Fund Ind	1,778,153	322,900	274,703	406,626	189,809	173,301	175,937	29,123	85,025	190,679	.....	.....	78,022	57,436	55,321	.....	.....	.....	.....	.....
Fireman's Fund	8,129,029	.....	.....	72,022	33,324	537,353	100	184	218	Mich Mut Lia	2,940,019	1,148,404	242,188	742,490	330,418	460,725	1,484	3,314	.....	.....
4,790,921	149,568	77,251	301,138	127,643	262,169	13,924	12,473	27,250	.....	1,745,135	650,183	126,312	601,271	193,076	168,573	1,362	637	.....	.....
Firemen's, N J	4,870,048	.....	193	718,360	323,090	552,168	.....	619	554	68,029	.....	.....	12	13	68,017	21	.....	.....	.....	.....
1,918,307	.....	.....	525,050	153,416	231,303	.....	328	-25	.....	93,335	.....	.....	35,706	21,843	35,786	.....	.....	.....	.....	.....
Founders M C	270,538	270,538	.....	.....	.....	.....	.....	.....	.....	1,168,062	.....	.....	1,168,062	.....	1,168,062	.....	.....	.....	.....	.....
Frank Nat	187,797	186,797	.....	.....	.....	.....	.....	.....	.....	443,211	.....	.....	12,974	-720	430,957	.....	.....	.....	.....	.....
187,929	1,395	8,015	8,306	1,821	43,653	.....	113	572	368	1,777,329	.....	32,819	186,936	88,444	199,457	6,839	6,638	.....	.....	.....
Freeport	3,816,010	106,100	1,266,520	734,201	1,466,724	.....	.....	.....	.....	700,771	.....	2,574	43,220	24,547	69,581	1,047	579	.....	.....	.....
1,450,039	.....	9,458	506,730	355,926	483,333	.....	.....	.....	.....	950,170	.....	4,086	.....	.....	50,440	129	590	.....	.....	.....
Gen Acc	5,757,292	1,193,677	490,148	1,621,777	760,852	822,031	591	40,657	132,451	340,140	.....	75	.....	.....	18,957	102	.....	.....	.....	.....
1,200,532	649,619	195,523	1,176,855	397,356	354,121	.....	1,141	22,289	64,117	69,801	.....	529	1,322	758	1,409	.....	.....	.....	.....	.....
Gen Cas, Wash	1,146,966	.....	93,421	636,984	300,996	.....	63,133	6,680	25,548	1,173,680	.....	29	213,214	98,016	182,183	196	72	.....	.....	.....
544,330	.....	24,247	344,239	148,814	.....	.....	5,624	2,305	19,102	10,800	.....	472	3,358	1,565	5,331	.....	.....	.....	.....	.....
Gen Cas, Wis	2,867,640	73,126	207,080	994,667	509,629	1,005,733	.....	16,630	53,821	2,624	.....	32	5,384	4,447	9,899	.....	.....	.....	.....	.....
1,324,183	41,300	65,049	509,753	228,120	449,593	.....	6,184	21,295	.....	1,730	.....	.....	-1,575	2,745	5,431	.....	.....	.....	.....	.....
Gen F & C	2,355,285	82,140	2,267	73,188	34,976	4,971	.....	-15	.....	1,677,668	.....	17,340	636,073	353,888	581,139	3,415	.....	.....	.....	.....
1,298,311	57,256	156	82,865	26,950	.....	.....	13,325	35,226	706	627,317	.....	1,430	225,789	152,303	211,820	11,482	2,545	2,917	.....	.....
Gen Re	1,298,311	57,256	156	82,865	26,950	.....	292,486	10,791	.....	454,444	99,351	30,221	100,612	54,988	65,888	21,484	2,545	2,917	.....	.....
702,114	49,363	114,320	385,097	16,612	84,291	.....	66,426	.....	.....	387,995	79,793	30,580	119,108	40,549	31,076	-22,584	1,194	805	.....	.....
Girard	807,875	.....	24	110,596	15,610	84,291	.....	94	298	272,020	.....	6	30,113	15,402	25,834	46	8	.....	.....	.....
561,471	.....	.....	83,647	27,364	43,922	.....	37,153	12,901	20,963	203,143	.....	.....	26,081	8,680	14,339	.....	.....	.....	.....	.....
Gl Falls Ind	557,779	162,784	73,062	167,790	76,640	.....	.....	.....	.....	658,892	.....	710	-1,127	325	-44	56	211	285	.....	.....
Glens Falls	2,298,406	99,103	104,303	289,055	133,269	361,084	78,480	25,626	39,757	357,787	3,730	8,539	14,235	2,372	1,924	.....	.....	.....	.....	.....
1,401,229	213,549	104,078	346,094	109,084	123,874	-5,854	14,654	20,582	.....	6,261,870	90,265	417,637	191,256	912,083	24,063	12,450	33,664	.....	.....	.....
Globe Ind	2,602,694	618,909	425,301	475,752	215,655	246,684	133,386	60,806	141,277	2,885,263	77,209	15,798	199,940	88,233	364,912	2,431	4,465	6,048	.....	.....
1,896,633	372,536	380,926	550,433	178,744	79,673	58,907	25,630	104,130	.....	71,341	.....	5,699	27,469	13,683	24,439	.....	.....	.....	.....	.....
Gov't Empl	879,261	.....	1,356	358,147	161,617	353,820	.....	.....	.....	37,850	.....	203	32,070	2,956	2,620	.....	.....	.....	.....	.....
532,819	.....	.....	262,635	90,020	179,963	.....	.....	.....	.....	225,672	.....	325	196,845	11,924	4,831	11,544	.....	.....	.....	.....
Gr Dirs Mut	489,219	.....	489	15,805	7,952	20,015	.....	.....	.....	350,369	.....	330,973	4,753	475	15,118	.....	.....	.....	.....	.....
359,006	.....	.....	2,730	2,226	7,435	.....	.....	.....	.....	139,227	.....	65,020	.....	.....	.....	.....	.....	.....	.....	.....
Grt Am Ind	2,246,992	468,579	319,672	565,500	265,793	409,169	44,772	41,506	114,849	28,789	.....	15,151	.....	.....	.....	.....	.....	.....	.....	.....
1,536,551	258,012	123,688	645,649	192,748	190,085	11,243	24,531	82,170	.....	13,108	4,071	748	5,083	2,797	.....	.....	.....	.....	.....	.....
Great Am	3,666,613	.....	390	260,614	122,241	274,753	.....	162	757	18,108	.....	.....	5,820	.....	.....	.....	.....	.....	.....	.....
1,217,549	.....	.....	216,306	70,686	114,945	.....	.....	.....	.....	4,213,576	1,200,635	456,615	909,806	270,074	117,622	108,128	30,463	57,773	.....	.....
Grt Central	1,046,199	61,620	.....	.....	.....	.....	.....	.....	.....	2,592,198	610,138	13,352	21,228	11,139	31,482	5,710	2,358	3,984	.....	.....
416,501	.....	7,015	.....	.....	.....	.....	.....	.....	.....	604,792	19,551	2,456	17,686	5,620	17,741	.....	.....	.....	.....	.....
Guar. N A	4,289	.....	.....	.....	.....	.....	4,289	.....	.....	515,697	7,187	2,456	17,686	5,620	17,741	.....	.....	.....	.....	.....
84,893	.....	.....	.....	.....	.....	.....	84,893	.....	.....	1,255,953	.....	5,456	3,082	196,757	10	76	.....	.....	.....	.....
Gulf	454,372	.....	771	18,857	8,721	15,935	.....	49	.....	653,307	.....	143	1,612	63,210	.....	2	.....	.....	.....	.....
123,746	.....	425	5,770	5,759	9,952	.....	.....	.....	.....	2,532,022	.....	218,639	97,175	413,023	.....	.....	.....	.....	.....	.....
Hard M, Minn	347,715	25,106	12,547	61,279	31,453	62,302	.....	4,444	8,818	781,164	.....	36,165	94,516	181,238	26,073	239,119	863	51,933	.....	.....
1,164,398	6,689	17,451	35,477	15,607	12,407	.....	.....	.....	.....	1,237,152	36,165	94,516	181,238	26,073	239,119	863	51,933	.....	.....	.....
Hard M, Wis	4,779,759	1,254,448	332,197	969,893	457,074	787,599	.....	45,074	41,698	1,059,994	31,304	141,780	339,383	5,655	1,248	119,569	-9	50,445	.....	.....
2																				



How a MICHIGAN deer-lick evolved into milady's perfume

Production of perfumery to most of us suggests only flower-petals, although we may vaguely connect musk and whale-ambergris with the industry. But salt?

Well, bromium, chlorine and salts extracted from natural brine are bases of perfumes and countless other products supporting Michigan's giant chemical industry.

Even in Colonial days, salt springs of the Wolverine State hinted at huge subterranean brine deposits, later to become an important source of wealth. But wild life was the first beneficiary, as we are reminded by deer illustrated on the Great Seal of Michigan.

A "Great Seal" of the insurance business is PACIFIC NATIONAL's, below, token of strength, stability and service to Agent, Broker and Assured.



**PACIFIC NATIONAL
FIRE INSURANCE
COMPANY**

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FOREIGN DEPARTMENT • NEW YORK, SAN FRANCISCO
EASTERN DEPARTMENT • PHILADELPHIA
WESTERN DEPARTMENT • CHICAGO
SOUTHERN DEPARTMENT • ATLANTA
INTERNATIONAL FACILITIES
WORLD-WIDE SERVICE

**THE OLDEST INSURANCE
COMPANY IN THE WORLD**



55 FIFTH AVE., NEW YORK

	Direct Premiums	Losses Incurred
General Accident	\$39	
General Cas., Wash.	205	
General Reins.	142	1,124
Globe Indemnity	97,576	17,411
Hartford Steam Boiler	1,417,804	151,098
London Lloyds	152,605	683,978
London Guarantee	30,706	1,686
Lumbermens Mut. Cas.	549,949	184,357
Maryland Casualty	137,812	14,663
Mutual Boiler	589,612	20,838
Newark	753	
No. Am. C. & S. Re.	3,120	19,418
Ocean Accident	262,953	35,557
Pacific Indemnity	1,257	100
Phoenix Indem.	52,710	10,785
Queen	865	
Royal Indemnity	130,693	5,358
Security Mut. Cas.		3,588
Travelers Indem.	730,436	300,916
Totals	4,810,969	1,514,752

Doonan Heads Chrysler Group Department

William J. Doonan has been named director of pensions and group insurance of Chrysler Corp. He has been with Chrysler since 1933 and has participated in the installation and operation of the pension and insurance plans now available to Chrysler employees.

NAIC Zone 2 To Meet Apr. 27-29 in Baltimore

Zone 2 of National Assn. of Insurance Commissioners will hold a meeting April 27-29 at Sheraton-Belvedere hotel in Baltimore.

Claris Adams, executive vice-president and general counsel of American Life Convention, will speak at the April 27 dinner. Commissioner Bowles of Virginia, zone 2 chairman will preside. Peter H. May, vice-president and comptroller of Maryland Casualty, is chairman of the arrangements committee, which consists of men from Maryland insurance companies.

Credit Life Asks More Power

Credit Life of Connecticut has asked the state legislature for authority to issue life insurance on the term plan and for longer than the present limitation of five years. The company also asks to issue A&H contracts, both individual and group.

A hearing was held by the insurance committee of the legislature, at which Commissioner Spellacy said he thought the company should increase its capital before being authorized to increase its underwriting limits. J. W. Ress, secretary and attorney of Credit Life, indicated that directors would increase the capital if the companies were given increased authority.

Support Conn. FTC Bill

Strong support of a little federal trade commission act has been voiced in Connecticut. Former Commissioner Ellery Allyn spoke in favor of the bill at a hearing before the insurance committee of the legislature. The present commissioner, Thomas J. Spellacy, supported the bill. Others appearing for it were spokesmen for Connecticut General Life, Aetna Life, Travelers, and Life Insurance Assn. of America.

Would Prevent Cancellation

A bill introduced in the Rhode Island house would prohibit any company writing insurance in the state from cancelling a policy during the contract term without the full consent of insured. Violation could lead to revocation of the insurer's license.

William E. Wortham has sold his agency in Louisville to William A. Nunnally, who is associated with the Reager agency, and who for the present will operate his new venture as the Wortham agency. Mr. Wortham is moving to Bowling Green, Ky., where he will form a new agency about April 15 with James M. Hill, to be known as the Hill-Wortham agency.

Fire, Allied Lines Premiums and Losses Shown for Companies Licensed in Illinois

Direct premium writings for fire and allied lines in Illinois last year totaled \$175,816,931 for those companies licensed in the state and listed below. Net losses incurred amounted to \$96,314,750.

Premium and loss figures are for fire and allied lines only. Auto physical damage is not included as a fire

line.

The purpose of showing direct premiums is to reflect the gross business of insurers in Illinois before reinsurance. Because losses incurred reflect loss results after reinsurance transactions, the direct premiums and losses incurred figures cannot be used to determine loss ratios.

STOCK FIRE COMPANIES

	Direct Premiums	Losses Incurred
Aetna Fire	5,329,338	3,339,408
Affiliated FM	420,689	216,746
Agricultural	566,111	431,080
Albany	118,409	65,517
Alliance, England	—10	
Am. Auto Fire	657,188	132,202
Am. Aviation	36,455	20,007
Am. Central	343,238	196,955
Am. Druggists Fire	64,927	35,123
Am. Eagle Fire	831,887	424,610
Am. Equitable	1,336,376	811,027
Am. Fidelity Fire	—6	
Am. & Foreign	79,850	49,329
Am. Home	184,205	160,758
Am. Ins.	5,347,640	2,680,918
Am. Liberty, Ala.	5,521	9,862
Am. National Fire	230,275	165,511
Am. Reserve	228,651	81,593
Am. Union	151,095	152,349
Assoc. General Fire	3,734	3,461
Assurance, N. Y.	35,243	32,316
Atlas Assurance	192,010	114,940
Automobile	1,598,713	849,414
Bankers & Shippers	260,230	110,942
Birmingham Fire	198,254	169,492
Boston	1,216,064	804,034
British America	48,362	57,315
British & Foreign	1,663	—606
British General	—163	
Buffalo	158,911	69,961
Caledonian	113,700	282,811
Caledonian-Amer.	18,028	17,063
California Ins. Co.	107,748	108,659
Calvert Fire	724,836	234,081
Camden Fire	349,593	234,081
Canadian Fire	50,742	12,178
Centennial	465,130	332,815
Century, Scotland	187,899	145,246
Charter Oak Fire	116,207	42,627
Citizens, N. J.	1,420,446	662,984
Columbia, N. Y.	172,735	115,815
Commercial Union	765,253	347,608
Commercial Un. Fire	226,045	155,673
Commonwealth	457,244	153,923
Continental	4,457,746	1,877,268
Continental Fire	804,237	370,153
Cornbelt, Ill.	41,043	5,253
Detroit F. & M.	278,518	148,712
Dubuque F. & M.	422,310	194,777
Eagle Fire	37,418	15,242
Eagle Star	68,088	19,576
Empire State	194,042	232,149
Employers Fire	347,052	122,513
Equitable F. & M.	461,867	219,292
Eureka-Security F. & M.	165,487	65,558
Excelsior	39,647	34,684
Farmers Fire York	65,669	46,438
Federal, N. J.	1,303,447	656,935
Fidelity-Phoenix Fire	2,740,822	1,323,637
Fire Association	859,833	377,887
Fireman's Fund	7,567,709	3,725,042
Firemen's	2,045,901	1,005,745
First National	514,901	207,770
Franklin National	195,408	124,739
General, Seattle	—774,346	304,550
Germantown Fire	41,257	26,247
Girard	560,892	406,444
Glen Falls	1,202,548	470,845
Globe & Republic	290,882	116,267
Granite State Fire	91,850	76,215
Great American	3,027,652	1,570,234
Gulf	370,153	102,841
Halifax	37,116	15,337
Hanover Fire	1,282,156	584,390
Hartford Fire	6,962,115	3,329,965
Home	10,712,092	6,679,862
Homeland	124,006	56,222
Houston Fire & Cas.	1,586	—5,357
Illinois Fire	238,571	175,158
Indem. Marine	42,158	25,124
Industrial, N. J.	113,964	68,567
Ins. Co. of No. Am.	6,598,568	3,168,765
Ins. Co. State of Pa.	133,797	99,146
International, N. Y.	57,543	37,763
Inter-Ocean Reins.	236,376	118,824
Jersey	80,368	80,337
Kansas City F. & M.	23,235	12,685
Law Union & Rock	133,268	69,195
L. & L. G.	759,695	311,091
London Assurance	627,244	351,036
London & Lancashire	634,022	728,675
London & Scottish	72,761	68,518
Manhattan F. & M.	572,537	355,820
Marine, England	59,948	13,844
Massachusetts F. & M.	393,581	239,478
Mech. & Traders	204,942	243,945
Mercantile	303,129	122,922
Mercantile	141,682	86,188
Merchants Fire, Col.	59,997	44,506
Merchants Property, Ind.	602,347	412,051
Merchants Fire, N. Y.	214,380	101,011
Merchants & Mfrs.	300,300	185,436
Metropolitan Fire	211,488	205,772
Michigan F. & M.	573,364	522,241
Millers National	716,523	320,859
Milwaukee	1,197,596	938,312
Monarch Fire	146,842	101,098
National American	26,611	1,000
Nat'l Ben Franklin	223,965	154,000
National Fire	3,835,803	2,125,675

	Direct Premiums	Losses Incurred
Nat'l Grange Fire	359,943	336
Nat'l Union Fire	770,077	380,710
Netherlands	10,405	2,066
Newark	484,269	462,016
New England	488,352	407,289
New Hampshire Fire	443,090	266,904
New York Fire	740,768	432,588
N. Y. Underwriters	99,773	588,338
Niagara Fire	1,768,885	644,386
North British	583,396	217,010
Northern, N. Y.	702,270	345,045
Northern, England	568,918	387,447
North River	1,003,122	592,241
North Star Reins.	332,940	180,203
Northwestern F. & M.	208,307	148,701
Northwestern Nat'l	1,755,153	902,585
Norwich Union Fire	76,474	175,931
Ocean Marine	1,055	—295
Ohio Farmers	468,023	241,912
Ohio	54,274	13,895
Old Colony	483,280	313,480
Orient	399,804	207,583
Pacific Coast Fire	—26	961
Pacific Fire	425,049	378,628
Pacific Nat'l	849,179	446,923
Palatine	69,542	49,426
Paramount Fire	362,084	144,994
Patriotic	169,158	103,032
Pearl Assurance	454,477	270,373
Pennsylvania Fire	751,673	577,417
Philadelphia F. & M.	998,281	472,418
Phoenix, Hartford	2,909,430	1,790,527
Phoenix, London	415,223	272,431
Pioneer Fire, Ill.	56,048	30,604
Planet	299,730	167,440

A Service Guide A

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REINSURANCE
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UNITED STATES DEPARTMENT OF AGRICULTURE—
FARMERS HOME ADMINISTRATION. Proposals are invited from insurers for furnishing insurance against loss or damage by fire, lightning, windstorm, hail, explosion, riot, civil commotion, aircraft, self-propelled vehicles, and smoke on certain farm properties mortgaged to secure loans made or insured by the Farmers Home Administration, upon failure of borrowers to provide such insurance, in all the several States, the Territories of Hawaii and Alaska, and in Puerto Rico and the Virgin Islands. Proposals will be received until April 15, 1955, at the Farmers Home Administration, Department of Agriculture, South Building, Washington 25, D. C. The right is reserved to reject any or all proposals. FARMERS HOME ADMINISTRATION, R. B. McLeish, Administrator.

	Direct Premiums	Losses Incurred		Direct Premiums	Losses Incurred
Potomac	101,473	116,321	Home Owners, Ill.	422,253	84,317
Providence Wash.	986,575	1,090,226	Illinois Mutual Fire	180,712	137,226
Provident Fire	79,258	79,372	Implement Dealers	1,594	679
Quaker City F. & M.	59,549	35,536	Independ. Mut. Fire, Ill.	631,101	92,386
Queen	788,878	315,943	Ind. Lumbermens	651,719	220,316
Reliable Fire	46,794	18,286	Industrial Mutual	429,009	55,948
Reliance	633,829	418,696	Iowa Hardware Mut.	82,931	34,352
Republic	791,694	324,794	Iowa Mutual	143,418	111,043
Rochester Amer.	409,865	369,243	Jefferson Mut. Fire	2,889	6
Royal	1,434,874	1,086,411	Jewelers Mutual	36,725	22,455
Royal Exchange	281,872	193,250	Liberty Mutual Fire	618,687	209,173
Safeguard	166,585	86,492	Lumbermens, O.	179,773	44,458
St. Louis F. & M.	70,353	54,060	Lumber Mutual Fire	48,011	16,693
St. Paul F. & M.	2,529,660	1,171,867	Lutheran Mut. Fire, Ill.	43,062	26,442
Scottish Union	44,707	138,065	Manuf. Mut. Fire	2,001,796	330,905
Sea	46,788	5,339	Market Mens Mut.	128,548	31,729
Seaboard F. & M.	82,967	54,152	Mercury Mutual, Ill.	874	3,564
Security Nat'l	118,947	61,999	Michigan Millers	26,120	5,237
Security, New Haven	750,472	1,944,455	Mill Owners Mut.	150,584	69,907
Selective	3,443	109	Millers Mutual Fire	30,856	16,750
Skandinavisk	145,245	104,478	Millers Mut. Fire, Tex.	28,830	10,433
Southern Fire	67,723	20,396	Minnesota Farmers	1,104,543	559,223
Springfield F. & M.	50,219	10,149	Mt. Carroll Mut. Fire, Ill.	17,653	18,988
Standard Fire, N. J.	267,436	207,067	National Mutual Church	19,465	122,908
Standard Fire, Conn.	652,814	283,273	Northwestern Mutual	551,074	198,459
Standard Marine	—28	5,398	Ohio Hardware	1,307	840
Standard, N. Y.	2,494,788	841,221	Oregon Mutual	23,594	9,172
Star	211,414	135,890	Pa. Lumbermens	37,106	26,727
State Farm F. & C.	744,799	485,810	Pa. Millers	362,137	9,610
Sun	654,757	232,170	Philadelphia Manuf.	38	126,451
Sun Underwriters	145,463	46,416	Property Owners	59	153,937
Swiss Reinsurance	1,397,496	920,299	Protection Mutual	666,187	1,010
Switzerland General	284,568	219,048	Republic Mutual	5,744	4,057
Thames & Mersey	672	227	Security Mutual	10,160	25,214
Transcontinental	246,822	140,679	Union Mutual, R. I.	36,177	121,605
Transportation	183,811	19,504	United Farm Mut. Reins.	156,889	147,805
Travelers Fire	2,738,043	1,031,590	West Bend Mutual	270,705	3,891
Twin City Fire	163,853	68,490	Western Millers	16,816	627
Underwriters, Ill.	279,958	284,467	Workmen's Mutual	—	—
Union Assurance	82,965	71,224	Totals	\$27,191,327	\$13,210,039
Union of Canton	76,513	57,697			
Union Marine	31,855	51,991			
United Benefit Fire	35,006	12,948			
United Firemen's	215,400	180,058			
United Fire	7,637	—			
U. S. Fire	2,332,087	1,413,485			
Universal, N. J.	68,105	19,576			
Vigilant	16,244	65,413			
Virginia F. & M.	29,079	16,959			
Washington F. & M.	58,106	1,772			
Westchester Fire	1,664,375	993,649			
Western Assurance	148,266	74,210			
Western Fire	267,535	129,900			
World F. & M.	312,828	180,462			
Totals	\$137,996,759	\$76,597,468			

CASUALTY COMPANIES

Accident & Casualty	36,455	20,007
Allstate	120,345	22,686
Am. Agricultural	107,460	50,715
American Cas.	115,441	63,357
Am. Employers	41,472	18,635
Am. Farmers Mut.	6,176	—
Amer. Indemnity	27,959	12,856
Amer. Motorists	79,308	33,386
Amer. Mut. Liab.	3,200	12,729
Amer. States	186,270	81,570
American Surety	40,041	20,849
Anchor Casualty	9	114
Auto-Owners	34,638	36,881
Beacon Mutual Ind.	17	—
Central Surety	22,293	7,350
Commercial	92,803	3,270
Commercial Stand.	13,840	1,100
Conn. Indemnity	85,225	13,334
Continental Cas.	1,099,197	286,307
Country Mutual Cas.	77,025	4,823
Economy Fire & Cas.	54,777	11,140
Employers Liability	55,538	25,649
Employers Reins.	136,563	35,644
Farmers Elev. Mut. Cas.	1,303	2
Farmers Mut. Auto.	4,206	1,186
Freeport	4,421	—
General Accident	175,798	57,308
Great Amer. Ind.	167	—
Hawkeye-Security	256,762	115,658
Indemnity of N. A.	13,644	1,893
Interstate F. & C.	7,995	492
Liberty Mutual	98,754	24,627
Lumbermens Mut. Cas.	640,757	100,138
Manufacturers Cas.	387	—
Maryland Cas.	57,769	26,891
Metropolitan Cas.	17,896	1,402
Michigan Mut. Liab.	4,560	3,721
MFA Mutual	239	—
National Auto & Cas.	65,106	75,547
New Amsterdam Cas.	39,495	13,832
N.A.C. & S. Re.	411,091	266,752
Peerless Cas.	—17,006	847
Security Mut. Cas.	35,432	10,081
State Farm Mut. Auto	625,666	373,273
Trinity Universal	265,743	93,721
United States Cas.	6,907	5,047
U. S. F. & G.	2,586,368	833,672
Yorkshire	219,813	95,073
Totals	\$7,959,347	\$2,860,762

MUTUAL FIRE COMPANIES

Addison Farmers, Ill.	235,173	158,037
Allied Amer. Mut. Fire	5,827	6,148
Amer. Manuf. Mut.	439,190	89,234
Amer. Merchants Mut.	91,310	28,051
Arkwright Mutual	570,027	70,618
Atlantic Mutual	382,931	191,527
Badger Mutual	260,432	120,374
Berkshire Mut. Fire	58,410	32,219
Blackstone Mutual	933,079	134,502
Boston Manuf. Mut.	1,007,724	114,451
Brotherhood	121,133	19,683
Central of Van Wert	253,722	7,531
Church Mutual	14,307	—
Country Mutual Fire	9,212,764	7,017,087
Cream City Mut.	35,681	13,416
Downers Grove Farmers	89,767	42,330
Druggists' Mutual	152,416	28,413
Empl. Mutual Fire	22,708	7,536
Farmers Alliance	656,769	911,294
Farmers Mut. Hail, Ia.	103,076	63,531
Farmers Mut. Reins.	7,586	1,540
Fed. Mut. Imp. & Hdw.	1,176,514	134,559
Firemens Mutual	81,509	17,316
Florists' Hail	88,760	376,505
Grain Dealers Mut.	1,758,099	531,162
Hard. Mut., Minn.	112,727	32,224
Home Mutual, Ill.	514	3,786

rates for cars driven by persons over 25.

Auto Accident Cover Okayed

The new accident insurance endorsement to auto liability policies has been approved in North Carolina, effective April 1. In Pennsylvania, a bill authorizing the endorsement has been reported favorably by the insurance committee of the senate.

Uniform Auto Rate Proposed in N.

A bill has been introduced in the New Hampshire legislature that would establish a uniform rate in

the state for automobile liability based on the experience of insurers. At present the state is zoned with a different rate in each.

Region V of NAIW Elects

Betty Bagger, Des Moines, Ia., was elected director of region V of National Assn. of Insurance Women at the annual convention at Milwaukee, Wis., to succeed Catherine Prieskorn of Racine, Wis. The speakers were Fred A. Miller, Jr., Chicago, education chairman of the National Assn. of Manufacturers, and Edward McFaul, Chicago, university professor and lecturer.

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INSURANCE CORPORATION

Baltimore, Maryland

Wis. Town Mutuals Elect

Emil Zillmer of Algoma has been elected president of Wisconsin Assn. of Town Mutual Insurance Companies. Other new officers are Howard Sebert of Black Earth, vice-president, and John Holzem of Menomonee Falls, secretary-treasurer.

Mass. Bill on Young Drivers

A bill to abolish the extra premium charge for drivers under 25 years old under the Massachusetts compulsory automobile law is expected to be reported favorably by the legislative insurance committee. An insurer spokesman said the bill, if enacted, would result in an automatic 10% increase in

EC Losses in Mass. Nearly 5½ Times Premiums Written

Extended coverage losses incurred by companies operating in Massachusetts in 1954 amounted to nearly 5½ times the total of net premiums written. EC incurred losses totaled \$74,856,364 and EC net premiums written amounted to \$13,667,793. EC figures on companies doing business in Massachusetts last year are listed below.

DOMESTIC MUTUALS

	Premiums Written \$	Losses Incurred \$
Abington	117,072	51,840
Allied American	39,146	216,528
American Mut. Liab.	4,724	3,150
Associated Merchants	7,821	6,440
Attleboro	22,704	154,804
Barnstable County	37,077	102,486
Berkshire	145,745	556,402
Cambridge	69,226	375,774
Dorchester	79,863	524,732
Federal	115,190	1,268,297
Fitchburg	55,769	16,087
Groveland	1,822	2,948
Hingham	138,194	923,412
Holyoke	129,429	290,579
Liberty Mutual Fire	424,805	2,134,206
Liberty Mutual	16,882	16,647
Lowell	49,288	130,068
Lumber	91,734	113,115
Lynn	46,316	221,679
Merchants & Farmers	45,260	185,433
Merrimack	207,678	1,073,102
Middlesex	193,264	886,717
Mutual Fire Assur.	9,532	3,031
Norfolk & Dedham	215,770	1,097,690
Pioneer	2,698	10,605
Quincy	358,873	769,734
Salem	28,946	201,354
Traders & Mechanics	62,805	350,646
West Newbury	3,375	20,396
Worcester	246,866	1,290,147
Totals	2,970,674	12,998,049

DOMESTIC STOCK

American Employers	36,542	169,191
Boston	422,576	2,559,794
Employers Fire	151,708	1,039,513
Massachusetts F.&M.	46,682	285,770
New England	58,708	199,029
Old Colony	215,241	1,061,606
Springfield F.&M.	188,151	673,088
Totals	1,119,723	6,007,992

FOREIGN MUTUALS

Atlantic	19,458	74,460
Central	282,136	1,607,613
Employers Mut. Fire	7,718	45,701
Florists Hall	929	748
Grain Dealers	5,256	34,231
Hardware Dealers	146,688	813,400

	Premiums Written \$	Losses Incurred \$
Hardware, Minn.	33,795	87,612
Home, Broome Cty.	1,210	472
Indiana Lumbermens	13,085	44,269
Jewelers	431	5,169
Lumbermens, Ohio	11,807	65,628
Manufacturers & Merch.	34,248	207,026
Merch. & Business Men's	3,918	11,933
Michigan Millers	6,469	249,089
Millers, Ill.	833	2,967
Millers, Pa.	2,080	18,386
Millers National	17,695	146,927
Mill Owners	24,066	187,341
Mutual Fire, Maine	4,818	2,064
New York Central	9,645	46,700
Northwestern	28,593	95,925
Pawtucket	104,928	232,405
Pa. Lumbermens	34,727	250,137
Pa. Millers	17,011	71,161
Phenix	22,832	138,017
Providence	117,053	531,725
Security Mutual Cas.	2,267	5,636
Union	52,689	21,729
Utica Fire	7,814	13,415
Vermont	34,194	133,598
Totals	1,127,135	3,479,403

FOREIGN STOCK

Aetna Fire	197,431	904,802
Affiliated F.M.	11,582	241,426
Agricultural	72,045	337,257
Albany	13,764	91,791
Allied Fire	9,444	76,696
American	203,415	1,656,053
American Auto.	28,980	21,465
American Av. & Gen.	7,112	36,554
American Casualty	22,522	115,756
American Central	22,764	133,901
American Druggists	3,102	10,436
American Eagle	87,177	341,702
American Equitable	75,847	377,622
American & Foreign	9,850	69,895
American Home	30,046	164,519
American Motorists	82,146	361,408
American National	27,576	224,091
American Reserve	12,762	57,899
American Union	37,215	367,499
Automobile	224,905	1,203,718
Bankers & Shippers	23,952	125,564
Birmingham Fire of Pa.	20,401	184,685
Buffalo	47,842	397,719
Caledonian-Amer.	5,463	57,103
California	11,770	60,844
Camden Fire	48,851	339,208
Centennial	54,522	333,948
Central States	120,840	120,840
Charter Oak	45,728	206,876
Church Fire	1,066	4,758
Citizens, N. J.	50,300	195,425
Columbia, N. Y.	75,084	589,291
Commercial Union, N. Y.	16,312	91,208
Commonwealth	37,379	261,932
Connecticut Fire	67,531	359,220
Conn. Indemnity	8,727	67,264
Continental Cas.	19,273	62,553
Continental	177,234	854,442
Detroit F. & M.	24,495	167,550
Dubuque F. & M.	14,149	121,412
Eagle Fire of N. Y.	6,694	60,203
Empire State	15,919	137,012
Employees Re.	1,943	855
Equitable F. & M.	47,320	287,535
Excelsior	24,352	130,682
Farmers Fire	8,793	81,100
Federal	24,917	124,922
Fidelity-Phenix	46,751	495,042
Fire Association	57,264	342,906
Fireman's Fund	433,778	2,274,447
Firemen's, N. J.	58,025	533,885

	Premiums Written \$	Losses Incurred \$
First National	5,284	24,604
Franklin National	22,969	93,489
General, Seattle	35,895	135,089
Girard	53,522	573,703
Globe & Republic	46,804	409,634
Glens Falls	17,128	152,519
Granite State	74,906	513,489
Great American	81,119	526,757
Hanover Fire	115,042	752,156
Hartford Fire	221,899	923,519
Home	616,892	3,253,097
Homeland	18,945	188,964
Illinois Fire	829	1,191
North America	250,403	932,317
State of Pa.	19,433	144,729
Inter-Ocean Re.	13,174	59,301
Jersey	33,264	210,866
Kansas City F. & M.	633	94
Manhattan F. & M.	7,487	83,301
Maryland Casualty	73,130	268,120
Mechanics & Traders	20,175	99,412
Mercantile	36,550	253,263
Merchants Fire, N. Y.	39,655	167,292
Merchants and Mfrs.	15,906	105,034
Merchants Fire, Colo.	16,159	76,582
Mercury	23,792	190,255
Michigan F. & M.	29,521	98,585
Mitwaukee	97,886	682,548
National Fire	117,185	680,292
National-Ben Franklin	86,300	654,575
National Grange	28,154	148,259
National Union	75,873	183,448
New Amsterdam Cas.	6,093	34,499
Newark	21,542	141,316
New Hampshire	123,982	821,922
New York Fire	29,815	268,506
N. Y. Underwriters	69,617	489,370
Niagara Fire	57,677	509,819
North Amer. C.&S.R.	27,176	65,741
North American F.&M. Re	4,343	27,209
Northern, N. Y.	35,922	197,051
North River	40,575	293,508
Northwestern F.&M.	23,121	170,832
Northwestern National	19,389	73,133
Ohio Farmers	33,261	271,198
Orient	25,647	188,288
Pacific Fire	34,573	209,664
Pacific Nat.	25,061	164,081
Patriotic	11,851	76,995
Peerless Casualty	12,091	73,064
Pennsylvania Fire	145,617	839,720
Philadelphia F.&M.	54,011	1,354,838
Phoenix, Conn.	185,507	789,702
Planet	26,858	178,208
Potomac	42,039	301,477
Providence Washington	191,189	1,626,474
Provident Fire	14,297	179,896
Quaker City F.&M.	3,854	39,669
Queen	74,562	508,535
Reliance	48,809	373,259
Rochester American	75,770	358,435
Safeguard	10,686	78,415
Seaboard F.&M.	6,899	1,522
Security	40,489	278,106
South Carolina	11,962	188,538
Standard, Conn.	62,322	292,427
Standard, N. J.	7,078	60,763
Standard, N. Y.	75,200	400,392
Star	22,051	250,448
Star	116,199	689,224
Sun Paul F.&M.	7,877	38,272
Sun Underwriters	15,450	48,421
Transcontinental	429,918	1,323,052
Travelers Fire	62,976	569,086
United Firemen's	1,521	369
U. S. Cas.	120,219	464,166
U. S. F.&G.	63,589	518,348
U. S. Fire	15,164	67,841
Vigilant	5,780	26,274
Virginia F.&M.	49,947	491,528
Westchester Fire	70,312	391,433
World F.&M.	2,921	9,724
Yorkshire	7,636,511	44,918,873
Totals	7,636,511	44,918,873

RECIPROCAL

Affiliated Unds.	4,854	18,705
American Ex. Unds.	4,440	16,922
Canners Ex. Subsc.	9,953	9,883
Fireproof Spkid. Unds.	1,973	7,521
Individual Unds.	7,399	28,203
Metro. Inter-Insurers	4,440	16,922
N. Y. Recip.	6,413	24,443
Subsc. at Recip. Ex.	1,987	8,050
Universal Unds.	2,457	17,804
Warner Recip.	1,145	6,165
Totals	45,071	154,618

ALIEN COMPANIES

Accident & Cas.	7,112	36,554
Atlas	22,708	184,605
British America	2,540	39,753
British General	256	2,992
Caledonian	14,075	111,639
Century	140	823
Commercial Union, Eng.	23,146	141,465
Employers Liability	40,546	186,879
General Accident	81,150	158,231
Law Union & Rock	8,549	62,730
L. & L. G.	89,656	728,375
London Assurance	22,532	160,077
London & Lancashire	40,610	298,123
London & Scottish	7,251	63,678
Netherlands	5,400	58,663
North British	41,564	260,970
Northern, Eng.	31,614	341,289
Norwich Union	11,938	86,276
Palatine	15,990	117,161
Phoenix, Eng.	72,391	613,007
Royal	116,602	761,884
Royal Exchange	23,482	156,743
Scottish Union	21,528	286,476
Sec.	5,642	23,083
Sun Office	22,055	131,959
Switzerland General	3,422	22,973
Union Assur.	5,264	33,344
Union of Canton	9,833	113,458
Western Assur.	21,325	116,472
Totals	768,677	5,297,430

Cancels School Bus Cover

CHATTANOOGA—The Trotter, Boyd & Keese agency here terminated as of March 28 the liability and colli-

sion coverage on Hamilton county school busses. Charging that drivers of the busses are "not being disciplined," W. S. Keese Jr. wrote County Superintendent Roy C. Smith: "We have given this risk very thorough consideration, and with the union, the political aspect and the present drivers, we don't see any chances for improvement. We think we have given it a good try and believe we are sitting on a powder keg to continue the coverage."

Without comment, Smith ordered advertisements for bids on coverage on the busses from March 28 to May 27, end of the school year.

Commission Control Bills Advance in N. Y.

Two bills dealing with commissions have been passed by the New York assembly and sent to the senate. One provides that organizations of insurers may through voluntary, cooperative action establish standards or adopt rates of commissions to be paid brokers or agents through voluntary cooperative action. It would permit brokers and agents to act cooperatively as to commissions. The other bill would require service or advisory organizations of insurers to file with the insurance superintendent copies of agreements it has entered into as to commissions to be paid brokers or agents.

Brokers of metropolitan New York have been pushing such legislation.

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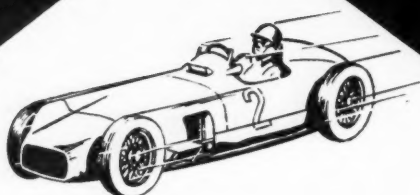
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COMMENTS - TRENDS - OBSERVATIONS

Heavy Credit Union Losses Could Be Cut With Good Controls

Although the history of credit unions in this country goes back 45 years, they received little attention from the general public until recent years and then mainly because of some of the large losses they have suffered through burglaries, robberies and defalcations, losses that have been well publicized in the press.

Latest figures available indicate there are some 15,600 credit unions in operation. The total amount they are loaning out is impressive. In 1952 alone they made loans totaling an estimated \$1,300,000,000. The infidelity losses some have suffered also have been high.

As recently as February, Charles G. Hyland, comptroller of Credit Union National Assn., expressed concern at the losses registered.

Writing in the *Credit Union Bridge*, CUNA publication, he said "at least 60 credit unions who are writing their bonds through this office have during the last five years carried a primary bond equal to at least 20% of the current assets of their credit union and yet have had losses greater than the amount of their primary bond that had to be paid by the excess coverage bond."

"During the same period approximately 300 credit unions have had a loss in excess of the amount of primary bond required by the supervisory department."

Mr. Hyland also noted "defalcations in credit unions increased in 1953."

A review of some of the losses reported in recent years shows that many were the work of trusted workers or officials of credit unions.

Two of the latest losses were \$53,000 from Ford Rouge Employees Credit Union in Detroit—reportedly taken by a teller—and \$32,746 taken by a woman from one in Wisconsin.

But these two losses are "drops in the bucket" compared with others that have occurred in recent years.

In Baltimore a woman who had a taste for expensive clothes managed to misappropriate between \$340,000 and \$380,000 before she was caught.

In Chicago a grandmother liked to travel so she took some \$30,000 of a credit union's funds to make sure she would have something to keep her mind occupied while she pursued her favorite hobby. Needless to say, her traveling stopped when she was caught.

Another grandmother managed to misappropriate \$229,976 in Ohio. But not all of the losses were attributed to women.

A Hartford man who liked "high living" and gambling got away with \$31,000 before he was caught and a fellow in Los Angeles carted away

\$126,000.

Another big loss was at Pittsburgh where some \$338,000 was taken from a credit union. It's hard to imagine how funds could go unchecked for any length of time, but they have.

Burglaries and robberies have also contributed in part to heavy losses. One of the best known robberies of a credit union occurred in 1952 at Quonset Point, R. I., when \$100,000 was taken. However, the case was eventually solved. Previously the same office was burglarized of \$61,999 left in the safe over the weekend. In Warren, O., \$42,000 was taken in a holdup and in Chicago \$100,977.

If a credit union doesn't have a bond large enough to cover a loss, its members are out that much money. Some surety companies have suffered large losses through defalcations in credit unions, losses that might have been prevented if more supervision had been given by the credit unions themselves.

Employers Mutual Liability of Wisconsin, which writes a lot of the bonds on credit unions, has felt the impact of losses. In 1954 it had earned fidelity premiums of \$734,598 and fidelity losses incurred of \$480,971. However, the amount of the losses attributed to credit unions alone isn't shown.

In his article Mr. Hyland points out that "there are several good reasons why we (credit unions) should reduce the amount of money lost through defalcations, burglary and robbery."

"The main reason is," he wrote, "that if we are to expect to retain the good name of credit unions we must devise some means of reducing the amount of defalcations, burglary and robbery to a point that will make the bonding of credit unions as a whole desirable to any and all bonding companies."

There have been defalcations even where the board of directors and members of the supervisory committee have functioned properly, but these cases have been few.

In practically all cases where a large loss has occurred, it has been found that directors failed to function properly and this has also been true of the supervisory committee, Mr. Hyland wrote.

He also believes burglaries and robberies can be reduced if credit unions make it a point not to get their money from a bank until it is absolutely needed and then keep it under constant armed guard from the time it leaves the bank. Also it would help if credit unions made it a practice not to handle large sums in spots where banks and other financial institutions refuse to handle it because of burglary and robbery danger.

If the suggestions outlined by Mr. Hyland are followed there is no question but what the loss situation would improve and bonding companies would be more anxious to handle credit union business, surety men be-



John T. Langrish, retired police detective sergeant of Hartford, left, is shown above serving as a prospect for crime insurance for James H. Carey of Crafton, Wis., during the Aetna Casualty sales course at the home office. During the course each agent must demonstrate his interviewing skill and knowledge of coverages to carefully selected and hard-to-sell "buyers" such as Mr. Langrish.

lieve.

One company that has done considerable work on the problem is American Surety which has drawn up an excellent credit union questionnaire which lists all the steps that should be taken to avoid defalcations, robberies and burglaries.

Houston Field Men Wear Uniforms at Town Inspection

Members of the Houston division of Texas Insurance Fieldmen's Assn. wore bright red coats as they inspected Lufkin March 23-24.

The coats, fire-engine red, had the capital stock "standard protection" seal embossed on the back in black with the lettering in white. Also embossed on the coat were the words: "Insurance Fieldmen's Association of Houston."

Robert P. Kennedy Jr., Commercial Union, Houston president, said that this was the first time since town inspections were introduced in Texas in 1948 that inspectors have worn special costumes. Previously, inspectors identified themselves by wearing a large badge.

Five Insurance Offices Robbed

Five company and agency offices in the Stahlman building at Nashville were ransacked and robbed by thieves. They were occupied by Manufacturers Casualty and Mutual Benefit H.A. and the agencies of Edward Swaim, D. Cliff Stone and Bennett & Corley. Varying amounts of cash were taken but occupants complained most about disarrangement of files, records, etc.

Automobile death and total disability indemnity coverages written by the Zurich-American companies in conjunction with auto liability policies have been approved in Indiana. The coverages are now available in 31 states and the District of Columbia.

Hartford A. & I. Issues \$1.5 Million Policy on Document for 1½ Hours

WASHINGTON—Hartford Accident wrote a \$1.5 million policy covering what is believed to be the world's oldest existing New Testament document as it was moved to the Library of Congress during a 1½ hour ride from National Savings & Trust Co.

Representatives of Hartford Accident's Washington general agency, Howard & Hoffman, and Vice-president John L. Barter of the home office turned over the policy to bank authorities before the document was taken from the vault.

Described by scholars as the only complete New Testament in existence in original Aramaic-Syriac, the language used by Christ and His disciples, the papers will be placed on public exhibition beginning April 5 in a specially constructed case in the Great hall of the Library of Congress.

Officials of the Aramaic Bible Foundation said the 1,600-year-old documents are "priceless." They pointed out that in placing the \$1.5 million evaluation on the manuscripts while enroute, they were guided by the fact that \$511,000 was received in the one large sale of a Biblical manuscript in recent times—the Codex Sinaiticus which is "only one of the several Bible manuscripts in Greek which, like the others, is well known and long published."

Establish Tremaine Memorial

Friends of the late Laurence P. Tremaine, an officer and director of Pacific Fire, have established an endowment fund in his memory with Insurance Society of New York.

Property Damage Limit, Severability of Insured Important Auto Changes

BY JAMES C. O'CONNOR

Adjusters and loss executives are hopeful that the new automobile liability policy will take care of the situation involved in the recent U. S. court of appeals case which startled the casualty business by its interpretation of the property damage liability limit. The

case was St. Paul-Mercury Indemnity vs Rutland, 5 CCH (Auto 2nd) 120, in which the limit per accident was held to apply separately to each of 14 freight cars, on the ground that they were owned by different railroads and other interests and hence the limit "per accident" applied to each separate interest. On this reasoning, the \$5,000 limit was held to apply separately to each car, the case arising out of a collision of an insured truck with a freight train which it derailed.

The new policy has a separate provision about the property damage liability limit, which is condition 4 in the skeleton form of National Bureau of Casualty Underwriters. It states: "The limit of property damage liability stated in the declarations as applicable to 'each accident' is the total limit of the company's liability for all damages arising out of injury to or destruction of all property of one or more persons or organizations, including the loss of use thereof as the result of any one accident." The specific reference to "property of one or more persons or organizations" is new, and insurance people are hopeful that it will avoid future debacles similar to the St. Paul-Mercury Indemnity case.

Another change which may settle arguments which have gone on for years is the addition of the statement, "The term 'the insured' is used severally and not collectively, but the inclusion herein of more than one insured shall not operate to increase the limits of the company's liability."

There have been countless arguments and conflicting court decisions over the question of whether the concept of "insured" in automobile and in other liability policies is severable. A common situation is one insured—either named as a joint insured in the policy or claiming protection under the additional interests clause—being sued by an employee of another insured. The policy for years has excluded coverage of liability of employees of the insured in the course of their employment, but has never defined exactly what this meant. The new provision should make it clear that there is coverage in this case and in the many other real and hypothetical cases in which this question has been involved. Many observers assume that similar language will eventually be incorporated in other liability policies.

New Auto Liability, PHD Policies Effective April 1

(CONTINUED FROM PAGE 1)
biles" section now states that it applies to collision insurance, as well as to liability and basic medical payments coverage. As before, it is restricted to situations where the insured is an individual and where a private passenger automobile is insured. The collision coverage applies only to a private passenger automobile operated or used by the named insured or his spouse. The collision portion does not apply at all if there is any other insurance on the automobile, no matter whose interest it covers. Unlike the liability and medical payments portions, this is not excess coverage. The new physical damage policy incorporates such drive other cars provisions as apply to collision insurance.

The entire drive other cars section

has been rewritten and clarified, but the only other coverage change is that it no longer excludes use of an automobile "hired as part of a frequent use of hired automobiles." Exactly what this exclusion meant had been a matter of frequent argument, although it had gotten into court only once. This section still excludes use of an automobile furnished for regular use to the named insured or a member of his household.

Under bodily injury and property damage liability coverage, the only limitation on trailer coverage is that the trailer be designed for use with a private passenger automobile and not be used for business purposes with another type automobile. There is thus no longer any additional premium required to cover operation of a home, office, store, display or passenger trailer, subject only to these two qualifications. However, as to medical payments, these types of trailers are still excluded.

The insured's spouse is now specifically referred to in both the temporary substitute automobile and the newly acquired automobile provisions. This somewhat limits the coverage in the first case, since an automobile owned by the insured's spouse no longer comes under this coverage should the automobile be used by the insured as a substitute while his car is laid up; while in the second case it broadens the coverage, since an automobile acquired by the insured's spouse, as well as one acquired by the insured, is automatically covered for 30 days if the company insures all automobiles owned by both of them.

The term "spouse" has also been incorporated in the additional interests clause or "definition of insured," the new version stating that anyone using the automobile with the permission of either the named insured or spouse is covered. This will end arguments about whether the insured spouse had authority in a particular instance to give permission to someone to operate the automobile, but, of course, will not affect situations where children of the insured and others permitted to use the automobile allow other people to drive it. The exclusion in the additional interests clause of coverage of anyone in the automotive business for an accident arising out of that business does not apply to a resident of the same household as the named insured, a partnership in which that resident or the named insured is a partner, or any partner, agent or employee of the resident or partnership. This latter liberalization has been authorized by endorsement for some time.

The basic medical payments and extended medical payments insuring clauses now specifically refer to dental services and prosthetic devices. It has been assumed that these were included right along. The \$100 limitation on the cost of bail bonds required of the insured in case of accident or traffic law violation remains in the policy, but the other limitation of recovery to the usual charges of surety companies has been dropped.

There will undoubtedly be much interest in the liberalization of the exclusion of liability for damage to property rented to or in charge of the insured. There has been added the expression "other than a resident or private garage injured or destroyed by a private passenger automobile covered by this policy." This is obviously a public relations gesture, since many insured did not understand the mean-

ing of the old exclusion and refusal of companies to pay for damage to rented garages caused dissatisfaction and ill feeling in many cases. The full exclusion still applies to commercial and public automobiles.

As to both basic medical payments



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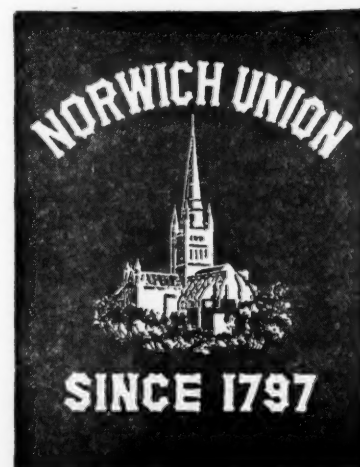
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and extended medical payments, the exclusion of payments to anyone entitled to workmen's compensation benefits now applies only to an employee of an automobile sales agency, repair shop, service station, storage garage or public parking place and only if the accident arises out of such business operations. Previously, payments under both these coverages did not apply to anyone entitled to workmen's compensation benefits because of the accident in question.

The other exclusions of bodily injury liability and medical payments to employees of the insured other than domestic and to domestic employees if they are under workmen's compensation are unchanged as to intent but have been reworded. Both use the expression "arising out of and in the course of" employment, following the language of the new workmen's compensation and employers liability policy which went into effect last fall. At that time, National Bureau companies agreed to interpret outstanding liability policies as though they contained this language, and it is taken for granted that similar language will be incorporated in other liability policies as they are revised. There is a new exclusion of losses arising out of injury due to war, declared or not, civil war, insurrection, rebellion or revolution, or "any act or condition incident to any of the foregoing," applying to both basic and extended medical payments and to first aid expense coverage.

There are a number of editorial changes in the general conditions, perhaps the most important being that the term "insured" is specifically stated to be used severally and not collectively, so that any exclusion or condition shall apply only to the insured against whom claim is made or suit is brought. There is a new separate provision about the property damage limit of liability, which states specifically that the limit per accident shall apply to damage to property of one or more persons or organizations.

The 60 day limit on automatic coverage in case of death of the insured has been deleted from the assignment provision. The new policy covers, with no notice being required, in case of death of the named insured, his spouse, if a resident of the same household at the time of death, and the insured's legal representative (executor or administrator). As to liability insurance, it also covers any person having proper temporary custody of the automobile and makes basic medical payments coverage apply while the automobile is being used by any such person. Because the term "private passenger automobile" is used frequently in the new policy, there has been included a specific definition, which states that it includes station wagons and jeep type automobiles and any automobile stated in the declarations as being used for "pleasure and business."

In addition to the new drive other

cars collision feature, a note-worthy change in physical damage conditions is a revision of the exclusion of damage to tires. Previously, they were not covered unless damaged by fire or stolen or unless the loss was coincident with other loss covered by the policy. The new contract requires further that the loss must be "from the same cause" as the other damage. For example, under the new language, if a tire blows out, causing a collision, the tire itself would not be covered, since it would not have been damaged by the same cause as the balance of the automobile, although the loss would be coincident with the collision.

Vandalism and malicious mischief, subject to a \$25 deductible, has been added to the perils covered under the combined additional coverage insuring clause. The exclusion in this clause and in the windstorm clause of damage by rain, snow or sleet has been strengthened by the addition of the expression "whether or not wind-driven." The rental reimbursement feature has been reworded to provide specifically that it applies only in case of theft of the entire automobile and that recovery under it is in addition to the limit of liability under the policy. The term "purchase agreement" has been added to the list of encumbrances referred to at several points in the policy, and the clause limiting liability of the company to actual cash value of the automobile, cost of repair or replacement or appli-

cable limit of liability has been reworded.

The rules provide that supplies of old policies may be used until July 6, but that all policies shall be interpreted to afford any broader coverage under the new contract as to accidents occurring on and after April 1.

N. Y. Self-Insurers Oppose WC-Third Party Bills

Self-Insurers Assn. of New York is strongly opposing New York bills which would limit the lien of the employer or insurer on a third party recovery to two-thirds of workmen's compensation or disability benefits payable.

The bills state that if the recovery is less than the total WC or disability benefits payable, the lien would be limited to two-thirds of the third party recovery. The bills further would permit a claimant to apply to the court for approval of a settlement of a third party claim. Approval, if granted, would be the equivalent of consent to the settlement by the party having the lien, thus continuing for liability for deficiency compensation.

There is considerable pressure to put the bills through.

A bill to increase the liability insurance requirements for motor vehicles carrying goods for hire has been introduced in the South Carolina legislature.

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Effects of Hazel Shown in 1954 EC Figures for Va.

Below are shown extended coverage figures for Virginia for 1954. They indicate the heavy losses the insurers sustained as a result of Hurricane Hazel.

NAME OF COMPANY	Written Premiums \$	Losses Incurred \$
Aetna Fire	88,744	147,758
Affiliated FM	1,990	36,173
Agricultural	34,330	96,899
Albany	3,437	10,369
All-American, D. C.	375	305
Allied American Mut.	2,775	7,825
American & Foreign	8,895	28,395
American Agric. Mut.	8,541	34,783
American Av. & Gen.	2,501	4,028
American Cas.	7,919	12,756
American Central	7,299	20,265
American Druggists	248	356
American Eagle	5,645	44,213
American Employers	975	2,925
American Equitable	61,858	124,336
American Exch. Unds.	115	335
American Fire & Cas.	1,610	1,144
American Home	10,026	39,640
American Indemnity	348	1,375
American Liberty	70,727	323,715
American Mfrs. Mut.	2,638	3,690
American Motorists	3,921	19,634
American National	2,731	140
American Union	16,961	45,464
Arkwright Mut.	3,962	6,737
Assurance of America	42,037*	20,677*
Atlantic Mut., Ga.	1,321	18,183
Atlantic Mut., N. Y.	2,812	1,474
Atlas	1,361	14,089
Automobile	8,589	43,207
Bankers & Shippers	42,339	71,495
Birmingham, Pa.	11,243	19,144
Blackstone Mut.	28,298	114,603
Boston	75,368*	25,740*
Boston Mfrs. Mut.	127,570	266,721
British America	64,608*	30,005*
British General	1,469	7,988
Buffalo	2,120	5,769
Buffalo	8,171	24,618
Caledonian-Amer.	1,228	3,847
Caledonian	5,548	11,976
California	3,787	13,015
Cambridge Mut.	3,135	4,056
Camden Fire	16,278	18,664
Cannex Exch.	4,737	5,756
Carolina Mut.	687	1,244
Centennial	11,094	25,765
Central Mut.	4,343	42,847
Central Surety	2,696	2,347
Century	14,897	22,038
Charter Oak	20,362	34,131
Church Fire	939	2,826
Citizens, N. J.	16,546	66,434
Colonial Assur.	6,301	4,561
Columbia, N. Y.	15,977	33,130
Commercial Union, Eng.	15,368	25,971
Commercial Union, N. Y.	5,725	21,316
Commonwealth	6,392	44,801

NAME OF COMPANY	Written Premiums \$	Losses Incurred \$
Connecticut Fire	14,961	14,018
Connecticut Ind.	7,932	32,167
Continental Cas.	176	3,500
Continental	53,450	178,339
Detroit F.&M.	6,095	53,638
Dixie F.&C.	832	291
Dubuque F.&M.	4,501	10,395
Eagle Fire, N. Y.	9,999	25,673
East Shore of Va.	7,542	68,793
Empire State	15,410	40,817
Employers Fire	4,798	9,949
Employers Liab.	1,071	3,217
Employers Mut. F., Wis.	2,502	2,136
Employers Re.	437	568
Equitable F.&M.	10,338	30,961
Equitable Fire, S. C.	11,144	25,781
Eureka-Security	11,412	33,620
Farm Bureau Mut. F.	46,005	69,277
Farmers Mut.	617	1,750
Federal	25,340	23,960
Fed. Mut. Ins. & H.	28,510	30,685
Fidelity-Phenix	41,531	181,509
Fire Association	22,794	47,632
Fireman's Fund	69,736	152,923
Firemen's, N. J.	20,738	19,445
Firemen's Mut., R. I.	327,009*	67,370*
Fireproof-Sprink. Unds.	585	149
First National	13,650	23,396
Franklin National	2,771	13,452
General Accident	5,684	1,675
General, Seattle	121,799	238,077
Germantown Fire	9,621	4,357
Girard	50,446	156,028
Glens Falls	61,928	121,736
Globe & Republic	22,377	39,975
Grain Dealers Mut.	4,966	60,572
Grangers Mut.	3,069	1,948
Granite State	9,688	31,966
Great American	66,007	97,872
Haliex	-3,371	754
Hanover	34,842	86,581
Hardware Dealers Mut.	14,267	27,242
Hardware Mut., Minn.	12,468	19,219
Hartford Mut.	70,482	45,350
Hartford Fire	104,367	235,333
Holyoke Mut.	3,368	6,743
Home	347,053	672,591
Home Mut., Broome Co.	5,243	4,777
Homeland	1,461	12,096
Illinois Fire	2,807	6,175
Implement Dealers Mut.	2,144	3,180
Independent, Fairfax Co.	25,191	32,180
Ind. Lumbermen	34,654	57,771
Individual Unds.	2,195	558
Industrial	4,863	2,375
Industrial Mut.	86,269*	3,150*
North America	80,914	143,109
State of Pa.	15,720	17,654
Iowa Hardware Mut.	1,947	2,542
Jersey, N. Y.	12,901	33,813
Liberty Mut. F.	76,113	46,358
Liberty Mut.	5,349	218
Littitz Mut.	13,586	13,122
L. & L. & G.	43,961	71,371
London & Lancashire	5,027	20,017
London & Scottish	9,124	26,114
London Assur.	46,490	125,945
Lumber Mut. Fire	14,850	17,691
Lumbermen Mut. Cas.	20,725	15,097**
Lumbermen Mut., O.	33,074	62,012
Lumbermen Und. All.	9,107	24,530
Manhattan F.&M.	12,638	31,570
Maryland Cas.	7,632	4,746
Massachusetts F.&M.	6,152	30,404
Mechanics & Traders	8,423	29,373
Mercantile	9,551	34,800
Merch. & Bus. Men's	4,416	12,063
Merchants Fire, N. Y.	26,381	83,767

NAME OF COMPANY	Written Premiums \$	Losses Incurred \$
Mercury	13,402	28,639
Merrimack Mut.	9,406	15,522
Metro. Inter-Insurers	1,317	335
Michigan F.&M.	4,234	18,259
Michigan Millers	17,030	16,687
Millers Mut., Pa.	5,444	7,976
Millers Mut., Ill.	3,698	2,716
Millers National	3,592	24,765
Mill Owners Mut.	11,400	21,818
Milwaukee	7,669	42,860
Monarch	4,785	6,032
Mutual Fire, D. C.	3,435	3,369
Mutual F., Loudoun Co.	25,647	24,085
National-Ben Franklin	12,647	64,721
National Fire	36,917	83,251
National Union F.	50,556	69,814
National Union, D. C.	4,346	1,663
New Amsterdam Cas.	915	1,944
Newark	14,658	20,797
New England	1,939	2,262
New Hampshire	28,154	43,747
N. Y. Central Mut.	3,981	6,163
New York Fire	1,998	15,181
New York Recip.	1,902	484
N. Y. Underwriters	31,175	71,063
Niagara	28,635	167,828
Norfolk & Dedham	15,670	31,084
North British	12,378	28,170
North River	37,615	68,237
Northern, Eng.	9,539	30,263
Northern, N. Y.	64,653	136,398
Northern Neck Mut.	20,375	15,113
Northwestern F.&M.	5,868	8,581
N. W. Mut. Fire	65,869	57,365
N. W. National	2,551	4,931
Norwich Union	8,2487	23,092
Ohio Farmers	41,491	92,616
Ohio	2,007	534
Old Colony	76,643	133,741
Old Dominion	5,834	7,812
Orient	3,175	12,642
Otsego Mut.	9,899	10,725
Pacific Fire	9,407	15,716
Pacific National	7,770	20,092
Palatine	4,647	12,628
Paramount	2,640	2,691
Patriotic	3,669	20,410
Pawtucket Mut.	12,801	6,626
Pearl	119,696	93,754
Peerless Cas.	1,471	8,587
Penn Mutual Fire	3,429	5,992
Pennsylvania Mut.	33,011	66,117
Pa. Lumbermen Mut.	63,209	18,913
Pa. Millers Mut.	30,494	48,930
Perkiomen Mut.	3,676	9,661
Philadelphia F.&M.	28,372	26,601
Phoenix, Conn.	16,047	33,005
Phoenix, Eng.	15,786	47,793
Planet	8,711	23,258
Potomac	15,437	24,226
Property Owners Mut.	1,406	1,357
Providence Wash.	18,597	75,572
Provident	2,538	2,538
Queen	58,329	152,443
Quincy Mut.	7,270	1,110
Subscribers at Recip., K.C.	1,151	141
Reliance	16,833	47,029
Republic	90,608	41,175
Rochester American	16,747	50,413
Royal Exchange	5,258	25,134
Royal	55,548	98,922
Safeguard	1,323	5,267
St. Louis F.&M.	11,661	17,956
St. Paul F.&M.	22,902	52,465
Scottish Union	16,724	45,952
Sea	2,320	9,517
Seaboard F.&M.	7,385	15,661
Security, Conn.	29,468	87,890
South Carolina	2,198	3,671
Southern F.&C.	781	1,155
Southern Fire	20,224	59,894
Southern Mut.	1,835	1,093
Southern States Exch.	10,269	4,924
Springfield F.&M.	29,281	54,683
Standard, Conn.	26,435	51,618
Standard, N. J.	2,838	8,698
Standard, N. Y.	21,300	25,079
Star	17,910	43,377
State Farm Fire	40,984	63,154
State Farm Mut. Auto	33,747	37,774
Sun Office	18,177	66,854
Sun Unds.	2,259	5,658
Transcontinental	19,962	23,280
Travelers Fire	91,843	122,570
Twin City Fire	781	643
Underwriters Exch.	2,771	0
Union Assurance	15,903	37,106
Union of Canton	797	1,146
Union Mutual	2,867	492
United Firemen's	2,321	44,743
United National Ind.	2,297	1,126
U. S. F. & G.	45,814	64,731
U. S. Fire	30,529	81,773
Universal Unds. Ins. Co.	2,372	0
Universal Unds.	7,948	24,941
Vigilant	442	6,517
Virginia Mut.	4,803	6,795
Va. Farm Bureau Mut.	9,031	22,612
Virginia F.&M.	72,980	225,510
Warner Recip.	978	279
Washington County	551	1,012
Westchester	33,908	148,879
Western Assur.	3,125	8,749

NAME OF COMPANY	Written Premiums \$	Losses Incurred \$
Western Millers Mut.	68	1,499
World F.&M.	13,695	26,246
Worcester Mut.	4,463	426
Yorkshire	8,068	20,965

Fla. Cancels Bridge

Cover, Accepts New Bid

The Florida road department cancelled its insurance on five of the state's largest bridges and accepted a new combined bid of \$286,766 from Stembler-Shelden agency and Langford & Ledbetter, both of Miami, which represent American Universal. The change, according to Road Chairman Jones, will mean a \$59,822 premium savings. Premiums under the old policies totaled \$349,549. Penalties for the short rate cancellation total \$17,161.

Agencies affected by the cancellations were H. L. Crowder & Son, George Carlton & Co., of Tampa, and Garrison-Younger-Sheftall Co. of Jacksonville.

American Universal will retain only 5% of the \$28,332,237 three year coverage. Its maximum exposure on any one location will be \$500,000.

The department is also soon to call for new bids on insurance for the state's fleet equipment. The Crowder agencies placed the fleet insurance at an annual premium of \$59,000.

Protection Code Drafted for Atomic Radiation

A code for protecting workers against the dangers of atomic radiation has been drafted by New York department of labor and the board of standards and appeals will hold hearings on it next month, according to Industrial Commissioner Lubin.

It is essential for both workers and industry that the state show timely interest in the special problems created by industrial use of atomic energy, Mr. Lubin said, for losses from a single radiation injury can be high and a large scale accident affecting many workers could be catastrophic. Industries in the Niagara Falls area are already using atomic energy, he said.

Clarify Points of Empiro

New B Policy Endorsement

A typographical error in the March 24 issue made it impossible to discern two important points in connection with the special (all risks endorsement prescribed by Multiple Peril Insurance Rating Org. for optional use with homeowners policy B. Wind, hail and falling objects have been dropped from among the perils against which trees, shrubs, plants and lawns are insured. This is the same change as was recommended late in 1954 in the Inter-Regional Insurance Conference dwelling buildings special form.

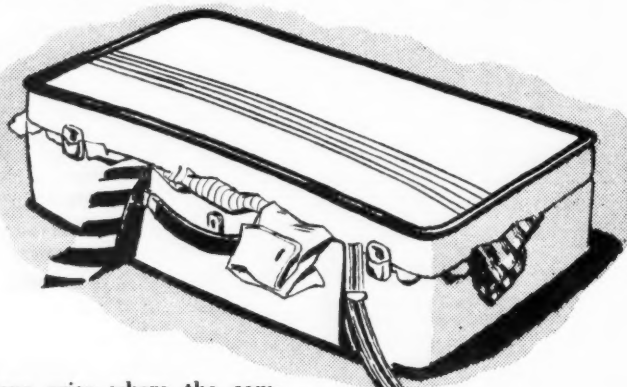
Among the other changes in the IRIC form, is a new exclusion of damage by wind, hail and weight of ice, sleet or snow to outside radio and TV antennas, masts, towers and lead-in wiring. This exclusion has not been picked up in the Empiro form.

Board Formed at Kingsport, Tenn.

Insurers of Kingsport, Tenn., has been organized with Frank McGlaughon of Moore & Walker agency as president, and Joseph Wimberly of Price & Rainey agency as treasurer.

J. Byron Taylor of Chattanooga, president of Insurers of Tennessee, presented the certificate of incorporation. Commissioner Northington and George L. Goss, executive secretary of the state association, spoke. Insurers of Johnson City were guests. The Kingsport board is the 16th to be formed in the state.

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Paid Welfare-Fund Broker Million in A&H Commissions

WASHINGTON—President Frederick Russell of Security Mutual Life of Binghamton, N. Y., testified that his company paid more than a million dollars in commissions to Louis B. Saperstein of Newark, former broker for two union welfare funds.

Mr. Russell gave his testimony before the Senate subcommittee, headed by Sen. Douglas of Illinois, which is investigating welfare-fund racketeering.

Mr. Saperstein is under sentence of five years for criminal contempt for refusing to answer questions in an investigation conducted by the New York City district attorney. He later decided to tell the names of men with whom he had had dealings. As a result, an indictment was returned in New York Feb. 15 charging that two racketeers and a union official had received illegal payments from Mr. Saperstein in a kickback racket.

Mr. Russell told the Douglas subcommittee that the commission payments were made to Mr. Saperstein to meet the competition of other companies seeking welfare-fund business. Sen. Douglas asked Mr. Russell if he thought it "proper" to pay so much money to Mr. Saperstein. He replied that at the time he thought it was and that other companies were willing to pay an equal amount.

Earlier Sen. Douglas said he was "elated with the whole-hearted cooperation of insurance people", as well as representatives of labor and employer interests. He added that they are "making a valuable contribution to the work of the subcommittee in its efforts to obtain complete knowledge of the problems which are present in the welfare field".

Additional hearings were held so the subcommittee could hear welfare plan experience of AFL painters and decorators of the Chicago area, the Cement Masons Institute trust and welfare fund of the cement finishers, local 502 Chicago, United Steel Workers of America, United Auto Workers and American Motors Co.

Bernard Greenberg of the Steelworkers read a statement of David J. McDonald, president of United Steelworkers of America, which set out the agreements between USWA and steel companies and summarized the health, welfare, insurance and pension plans in effect between them.

Among the USWA witnesses was Murray W. Latimer, actuarial consultant and formerly of the railroad retirement board, who said USWA discontinued contracts with commercial insurers in favor of Blue Cross because of more liberal benefits. It was "extremely difficult" to get full coverage from insurance companies, Mr. Greenberg said.

Sen. Ives, former chairman of the subcommittee, asked for a list of insurers of the steel plans and said he favored full public disclosure of plan operations. He regarded it important that the USWA statement of policy prohibits receipt of any money from insurers or others concerned.

James Robb, director of USWA's district 30, criticized cash indemnity plans as inadequate and said that only when service benefits, ably managed, are achieved, will the union be able

to catch up with the increasing costs of medical care.

London Assurance's Assets at New High

Assets of the U. S. branch of London Assurance reached a new high of \$24,773,892, increase \$2,431,998, during 1954. Government securities of \$7,373,955 represented the largest single item in the investment portfolio. These securities, combined with cash, accounted for about 37% of total assets.

Net premiums written amounted to \$9,604,100, increase 12.32%. Earned premiums showed an increase of \$500,728 for a total of \$9,675,972.

An underwriting gain of \$224,468 was produced. The ratio of incurred losses and loss adjustment expenses to earned premium was 54.31%. The unearned premium reserve amounted to \$8,498,756.

General operating expenses, excluding federal income taxes, were 43.70% of net premiums written. Investment net income earned increased \$55,929 over the previous year and amounted to \$599,989. Policyholders' surplus also reached a new high of \$12,069,999, increase \$2,611,360.

500 at N. J. Midyear Hear Details of UJF

(CONTINUED FROM PAGE 3)

tween \$200 and \$1,000 is made up of the state treasurer, a representative from each of the stock insurance rating organizations, a mutual company, and a stock company, appointed by the insurance commissioner, he said.

During the business meeting Mr. Mather reported on the activities of

the association and pointed out that one of the main steps it has taken was the retaining of a public relations staff. The membership also considered amendments to the constitution and by-laws which will be discussed and finally considered at the annual meeting in the fall. Mr. Munz reported on his work as state national director and Alan H. Miller, chairman of the public relations committee, spoke briefly on the work of the National association public relations committee toward obtaining TV and radio publicity for local agents through the work of National Assn. of Insurance Agents and the state and local associations.

The improved, broader coverage automobile policy without an increase in rates which will become effective April 1 in New Jersey was described by Mr. Brewster. The revision will adapt the coverage to meet changing conditions and needs of the public, he said.

National Bureau has also brought up to date the standard provision for the combination basic BI and PDL, prepared in cooperation with National Automobile Underwriters Assn., and for the comprehensive automobile liability policy and the schedule automobile policy. He then listed the important changes in the basic automobile liability policy provisions.

The basic specifications of policies for the home owner, in the two major types, comprehensive dwelling policy of Interbureau and the homeowners policy, were described during the panel discussion which led off the second day's meeting. Harry L. Perlet spoke for Interbureau and Mr. Whitford spoke on the homeowners policy. Mr. Guest in describing how the policies affect the agent, recommended that the

agent make a careful analysis of the types of policies available before choosing the one which would best fit the needs of his client. He also suggested that when a package is available the agent let his clients know about it before they have time to read it in the paper or hear about it from other agents.

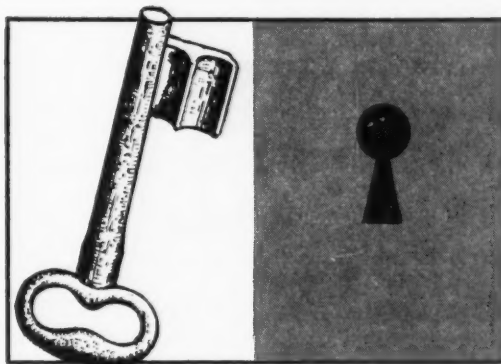
Predicting that the new UJF law would increase automobile business so that in the next year or two 90% of the cars in New Jersey will be insured, Commissioner Howell made his first official public appearance since his appointment. This is what happened when the motor vehicle security-responsibility law went into effect in 1952, he said, pointing out that the percentage of insured vehicles increased from 62% to 82%.

The opportunity to participate in this additional business is up to the agents and with it comes a corresponding responsibility for them to service risks in the assigned risk plan, he said.

From the time the assigned risk plan went into effect in 1941, until the end of 1953, 76,837 cars were assigned and written, he said, and during 1954 a total of 51,053 cars were assigned and written. This, he said, indicates that the market is still tight, more tight than it should be when it is realized that only a small percentage are financial responsibility risks.

Too often agents do not interest themselves in observing the rules of the plan and as a consequence are not furnishing applicants with adequate and efficient service. If agents do not heed the problem the situation will become worse, he warned. By serving these risks agents can avoid compulsory automobile law or a statutory assigned risk plan, he said.

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Uniform Rating Problem Discussed for Examiners

There is still much to be done in adopting uniform rating schedules for New York state even though New York Fire Insurance Rating Org. has attempted to harmonize the general rating rules of New York City with those of the rest of the state, Harold Sohmer, senior examiner of New York insurance department, told examiners at their in-service training course.

Other speakers at the session were Jack Malmuth, principal examiner, who spoke on inland marine rates, and Harry A. Kahn, associate examiner, who discussed glass and boiler and machinery rates.

Program Ready for Ala. Agents' Annual May 2

Joseph A. Neumann of Jamaica, N. Y., president of National Assn. of Insurance Agents, will address the convention of Alabama Assn. of Insurance Agents on May 2 in Birmingham.

Other speakers will be J. H. Hines, southern manager of Crum & Forster; Fred Carnell, president of American Liberty; Hoyt G. Whitney, agent at Sunbury, O.; John H. Cosgrove, secretary of American; E. R. Hurd Jr., superintendent of production of American Associated group; Oscar Beling, superintendent of the agency systems division of Royal-Liverpool; and Frank Reilly, assistant secretary of AFCO, New York.

A skit will be presented by Everett Johnson, special agent of A. H. Turner general agency at Atlanta, and C. A. Avery, Alabama special agent of New York Underwriters. J. B. Chapman of Evans, Mills & Chapman general agency at Birmingham, is general chairman of the convention.

Says Mass Marketing Is Here for Insurance

(CONTINUED FROM PAGE 9)

personal fire and automobile lines? This is the new era for insurance producers, Mr. Farrer said.

The facilities, policies, services and merchandising organization of specialty and direct writers are being exposed to all agency company customers daily through TV, radio, magazines, newspapers and door-to-door salesmen, he declared. Are the agent's customary practices going to be adequate to stem the tide? Not everyone has a loss under his policies so that the agent may demonstrate the value of his services. The agent cannot count on policywriting and billing service as the mainstay of future agency service. Why does the agent continue with the time honored tradition of treating most residence fire and automobile renewals as though they were new business to the agency and to the company at an increased expense to themselves and to insureds? he asked. The specialty companies aren't doing it, because they consider it an expense they can reduce and minimize by streamlined methods of accounting and recording.

Face-to-face selling and service of personal accounts must also be considered. Direct writers and specialty company representatives are making door-to-door solicitations every day.

An agent must consider the kind of a sales organization his agency has developed and the provisions it makes for the development of new accounts and new lines such as major medical expense where creative selling is necessary. Agencies with good sales programs and good salesmen are having little, if any, trouble with the new competition. Salesmanship is the difference for them and it can be for other agencies Mr. Farrer said.

Several bold pioneering agency companies already have made initial moves in the development of merchandising plans for private passenger car business to enable their agents to meet the specialty company's streamlined, low cost methods of handling the business, he said. Their methods are notable for features of cash with application, streamlined accounting, recording and renewal with either a rate deviation or merit rating in order to pass the savings on to the public.

He noted other efforts of agency companies to provide more and better coverage for less money—the comprehensive dwelling policy, etc.

Producers and agency companies have for years recognized price as a factor in the treatment of commercial and industrial risks. Fire rate engineering and sprinklered risk engineering are part and parcel of an agency company's service with one objective—reducing the hazard to reduce the cost. Experience and retrospective plans have for years been used to provide public liability and workmen's compensation insurance at an acceptable lower cost whenever feasible to insured. Factory Insurance Assn. has operated with notable success for decades in the handling of superior industrial risks.

The delivered price of goods or service is the key factor in modern marketing, he said.

Plans Set for Far West Agents Conference, April 4-6

Plans have been completed for the Far West Agents Conference, April 4-6 at San Francisco. Closed sessions will be held the opening day, and meetings with representatives of Pacific Board and National Bureau of Casualty Underwriters have been scheduled for the remaining days. Harold B. Larson of Portland, Ore., will preside at all sessions.

Ala. Premium Tax Bill Dies; Alternate Offered

The bill calling for a flat 5% tax on gross premiums of all insurers doing business in Alabama, to finance an old age pension plan proposed by Gov. Folsom, has been allowed to die in committee.

An alternate bill, patterned after one in Oklahoma, has been introduced to provide a sliding scale with a maximum tax of 4%. Fire, casualty and life officials opposed both bills, pointing to retaliatory laws in 38 states that would tend to limit operations of Alabama companies to their own state.

There now is a premium tax of one-half of 1% on fire policies; 2.5% on life and casualty; and 1.5% on benevolent societies. There is no premium tax on burial and A&H insurers.

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Iowa Mutual Agents Set Annual for April 11-12

Iowa Assn. of Mutual Insurance Agents will hold its annual convention in Des Moines April 11 and 12, preceded by a smoker the evening of April 10.

Speakers will include H. J. Hjermstad, president Citizens Fund Mutual Fire, and H. J. Laidlaw, president Minnesota Farmers Mutual.

Other speakers will be Frank Miles, Des Moines public relations counselor; Dr. Marcus Bach of the University of Iowa; W. J. Gissendanner, manager North Central Rating Bureau of Des Moines; Verne Martin, sales consultant of Newton, Ia., and Dr. Charles Marsh and Dr. Ralph Moore both of Omaha.

Sees Auto Competition Rising, Suggests Solutions

(CONTINUED FROM PAGE 13)

for the producer to establish a closer relationship with every policyholder. The insurance business, he said, is much the same as any other. With the possible exception of utilities, most every business has competition of one kind or another.

He said he also believed steps must be taken to simplify the handling of automobile policies from beginning to end in both agency and company offices. Then, by passing on to the public the resultant savings that companies and agents using their ingenuity can create, the difference in cost between bureau policies and those of competitors can be narrowed to where specialty companies will no longer be able to attract the most desirable business.

The business machines of tomorrow give promise of reducing the work and the cost of handling automobile policies and of making possible savings that can be passed on to insured. Mechanical equipment is becoming available to make it possible to process policies and compile internal records on a mass production basis. For example, modern machines provide, by way of punch cards with appropriate codes, a means of rating the risk, writing the policy and printing the premium bill all from one operation.

It seems likely, Mr. McWilliams said, that automobile classification refinement will have to be continued if not expanded.

A recent survey in New Hampshire, which is the only state where a single classification applies to all private passenger cars, illustrates why a refinement of classifications is desirable. It was found that approximately 60% of the risks in the assigned risk plan in that state were cars with operators under 25 years of age. Because underwriters know that risks with youthful drivers constitute a class of business that is not adequately rated by a single classification rate, the local market for this business naturally is restricted. It is far better to establish a classification system under which the various types of risks are properly rated and thus enabled to obtain their insurance in the open market, he said. True, the less desirable risks would pay higher rates than at present, but, conversely, the more desirable risks which are far more numerous would pay less than they now do under the single classification system.

He pointed out members of National Bureau are not opposed to merit rating in principle and favor merit rating if a sound and workable plan could be developed. It is just a plain case of "money". Companies must collect enough premium to pay the total

losses, loss expense and administrative expense. In today's era of severe competition, it is illogical to suggest that rate levels be increased solely for the purpose of providing merit rating awards. It is not believed that merit rating would have any noticeable effect on the number of accidents. Nevertheless, the bureau continues to study this problem, to see whether it can devise some plan which will be sound, economical, and will not throw the entire rate structure out of balance.

In conclusion, Mr. McWilliams said that important changes in the automobile liability insurance business are certainly in prospect immediately and in the years ahead. The changes will in great measure give policyholders a better product, better service and more attractive price relationship under the competitive system.

Hartford A&I Names Two Special Agents

Joseph S. Bates has been named all-line special agent at Atlanta and Howard E. McCord bond special agent at Orlando, Fla., by Hartford Accident.

Mr. Bates, who joined the company in 1946 in the payroll audit department, was at Bridgeport, Conn., from 1947 until he transferred to Atlanta in 1952.

Mr. McCord, who will service all Florida, joined the company in 1953 in the bond department at Atlanta where he has been in training.

Seek Study of FR. Compulsory in R. I.

The creation of a special commission to study the Rhode Island financial responsibility act and the question of compulsory insurance has been proposed in the Rhode Island legislature. The commission would be directed to examine the possibility of enacting compulsory automobile insurance, unsatisfied judgment fund provisions, safety responsibility provisions and other related FR laws, taking into consideration the cost of insurance to the owners and operators of motor vehicles.

Adkins Resigns in N. C.

Frank Adkins, casualty actuary of North Carolina insurance department for nearly 10 years, has resigned to devote full time to a family nursery business in Rockingham county. Fred Chambers, department fire actuary, will handle Mr. Adkins' duties. Mr. Adkins was with National Bureau and North Carolina Automobile Rate Administrative Office before going with the North Carolina department.

Persson to New York

A. T. Persson Jr., vice-president of Toplis & Harding, Wagner & Glidden, adjusters and surveyors, has transferred to the New York office from Los Angeles. Previously he was at Detroit and Chicago. He will be active in the adjustment of fire and inland marine claims. He was formerly with Underwriters Salvage in Chicago and joined the adjusting firm in 1947.

Join Affiliated Surplus Brokers

Stanley A. Johnson has been named vice-president of Affiliated Surplus Brokers and Edward H. Quinn Jr. was named assistant treasurer. Mr. Johnson was formerly with George F. Brown & Sons. Mr. Quinn was previously with Davis Dorland Co., and George F. Brown & Sons.

New officers of Insurance Women of Milwaukee are Louise Pehmoller, insurance public stenographer, president; Elizabeth Keinhofner Fidelity & Deposit, vice-president; Edna Haas, Gollusch agency, corresponding secretary; Marilyn Parsons, Fidelity & Deposit, recording secretary, and Marietta Daley, Fire Insurance Rating Bureau, treasurer.

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FINANCIAL STATEMENT DECEMBER 31, 1954

ASSETS

Cash in Banks	\$1,513,373.17
Bonds at Amortized Value	
U. S. Government Bonds	\$1,370,567.25
State Bonds	210,213.44
Municipal Bonds	250,551.53
	1,831,332.22

Special Deposit with another insurance company	26,000.00
Net Premiums in course of collection less than 90 days	285,417.96
Reinsurance due and in transit on paid losses	13,488.22
Interest Accrued and Other Admitted Assets	11,165.28

TOTAL ADMITTED ASSETS \$3,680,776.85

LIABILITIES

Reserve for claims in process of adjustment	\$1,577,195.21
Reserve for unearned premiums	551,450.72
Reserve for taxes and other Expenses Accrued	78,513.49
Reserve for Income Tax	64,586.49
Balances due other companies for reinsurance	310,808.45
Capital	\$600,000.00
Surplus	498,222.49

Surplus as regards policyholders 1,098,222.49

TOTAL \$3,680,776.85

Bonds carried at \$700,837.09 in the above statement are deposited with various states, for the protection of policyholders, as required by law.

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• NEW MEXICO
• MONTANA
• UTAH

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ACCIDENT AND HEALTH

Program for A&H Agents Meeting at San Antonio Ready

The completed program for the annual convention of the International Assn. of A. & H. Underwriters is being mailed out to members. The meeting will be June 12-15 at San Antonio.

The board of directors will meet June 12 and that evening there will be a get-together party in the Gunt-er hotel.

The next morning, after registration, President L. A. McKinnon of Flint, will open the meeting. The welcoming address will be delivered by

S. E. McCreless, president of American Hospital & Life, and there will be a talk by Joe S. Moore, attorney for the Texas board of commissioners.

The keynote address will be given by R. L. McMillon, Business Men's Assurance, Abilene, and at the luncheon the speaker will be Louis Throgmorton, vice-president of Republic National Life.

The International council will meet that afternoon and there will be a report of the managing director, William Coursey, and of the committees and zone chairmen. The nominating committee also will give its report. That evening there will be a chuck-wagon dinner and aquacade at Lone Star Lake.

On June 14 the International Council will resume its meeting and there will be further committee reports and reports of local board presidents. At the luncheon the Leading Producers Round Table will take charge, with T. K. Mersereau, Monarch Life, Baltimore, chairman, presiding. That afternoon the speakers will be William Highfield of Insurance Research & Review, Robert Neal, resident counsel at Washington, D. C., for Bureau of A&H Underwriters and H&A Underwriters Conference, and E. H. O'Connor, managing director of Insurance Economics Society.

On the final day there will be a past president's breakfast and a concurrent round-up breakfast for early registrants. At the general session the talks will be given by Micaeu Browne, vice-president of Occidental Life of Raleigh, N. C., and Lester A. Schriver, managing director of National Assn. of Life Underwriters. The concluding speaker in the afternoon will be Travis T. Wallace, president of Great American Reserve of Dallas, who had a similar job when the International had its last Texas convention at Dallas.

The banquet is scheduled for that evening and at that time the Harold R. Gordon Memorial award will be presented.

had teaching and field training experience. He succeeds Rex Linkous, who has been promoted to director of field operations.

Chicago A&H Men Elect R. L. Seiler President

Alvin H. Goesser of World of Omaha was speaker at the election meeting of Chicago A&H Assn. New officers of the association are:

President, Robert L. Seiler of Paul Revere Life; vice-presidents, Lee Houghland of Combined; LeRoy L. Phelps of North American Life and John E. Sonin of Fireman's Fund Indemnity; treasurer, Frank Watt of Washington National, and secretary, Marie Meade of H & A Underwriters Conference.

The executive board is made up of W. G. Manzelmann of North American Accident; James Beaumont of Critchell-Miller agency; William G. Burns of Bankers L. & C.; John Hoard of Mutual Benefit H. & A.; Ernest T. Luehr of Parker, Aleshire; George Mauloff of Marsh & McLennan; John J. Quinn of Conkling, Price & Webb; W. R. Weiler of Meeker-Magner; Charles Woodward of Newhouse & Hawley and W. C. Woodyard of Continental Casualty.

Five Speakers Named for Ill. A&H Assn. Annual

Illinois Assn. of Accident & Health Underwriters, which is holding its first annual sales congress in Peoria April 15-16 at the Pere Marquette hotel, will hear the following speakers:

L. W. McKinnon, president of International Assn. of Accident & Health

Mutual Benefit Names Two

Mutual Benefit H. & A. has appointed Ralph Staley and Stanley Blackburn as regional directors. Mr. Staley in the eastern region and Mr. Blackburn in the southern. Mr. Staley succeeds Gene Prather, the new general agent at Erie, Pa. Mr. Blackburn started with the company in 1952 and has

Health Council Has Display for Medical Meets



Alice M. Cellberg of American Mutual Alliance, and Paul H. Rinker of Continental Assurance, members of the information and publications committee of Health Insurance Council, discuss highlights of the new exhibit, which will be on display at four hospital and medical conventions in the next three months.

The information and publications committee of Health Insurance Council has developed a visual display for the showing at conventions of health care professions. Measuring 16 feet in length and 8 feet in height, the new display graphically portrays "The Health Insurance Story."

During the next three months it is estimated that 25,000 persons will see the council's exhibit, which is the third major project of the information and publications committee. The other two projects, the annual survey of health insurance, and the booklet "The Health Insurance Story," pro-

vided the factual data used in the display.

The exhibit, which features four lighted graphs showing the extent of coverages and benefits paid by voluntary insurers and has a screen with slides illustrating the relationship of health insurance to health care professions, will be shown in the near future at the American Academy of General Practice at Los Angeles (March 28-31), Student American Medical Assn. at Chicago (May 6-8), Catholic Hospital Assn. at St. Louis (May 16-19), and American Medical Assn. annual meeting at Atlantic City (June 6-10).

WANT ADS

Rates—\$18 per inch per insertion—1 inch minimum. Limit—40 words per inch. Deadline 5 P. M. Friday in Chicago office—175 W. Jackson Blvd. Individuals placing ads are requested to make payment in advance.

THE NATIONAL UNDERWRITER

OHIO FIELD MEN

TOLEDO special agent needed to establish service office supervising present agencies with emphasis on new agency development. Future advancement for ambitious experienced man desiring opportunity for increased responsibilities.

COLUMBUS special agent to service Central Ohio agencies. Man with underwriting experience would be considered.

Columbus office maintains complete multiple line underwriting facilities for entire state of Ohio. Pension plan and favorable employee benefits.

Trinity Universal — Security National Insurance Companies, 150 E. Broad St., Columbus, Ohio — E. B. Yates, Manager.

DIRECT MAIL ADVERTISING MAN

Excellent opportunity for man with experience in creating simple, straight forward direct mail copy, including sales letters, folders, etc. Advertising agency or journalism experience desirable. Should be between 25 and 35 years of age. Position in home office old established midwest health insurance company. Salary commensurate with experience and ability. Write fully covering experience and background. Your letter will be treated in confidence. Address E-9, The National Underwriter Co., 175 W. Jackson Blvd., Chicago 4, Ill.

RATE SUPERVISOR Needed By NEBR. INS. DEPT.

Company or department experience required. Salary \$5,000—\$6,500 range depending on experience and background. Unusually congenial working and living conditions. Fine opportunity for company contacts. Duties include approval of company filings such as rate plans, rates, policy forms, etc., supervision of four other rating employees, participation in N.A.I.C. affairs, etc. Contact Thomas R. Pansing, Director of Insurance, State House, Lincoln, Nebraska.

OPPORTUNITY WANTED

Heavy experience servicing and selling large commercial risks. Thorough knowledge compensation, general liability & automobile. Completely familiar other lines. Excellent experience reorganizing & managing large underwriting department. Interested position utilizing experience to greater advantage. Age 39 with 17 years experience. Address E-12, The National Underwriter Co., 175 W. Jackson Blvd., Chicago 4, Ill.

WANTED

EXPERIENCED FIRE FIELD MAN for upstate New York by established stock Fire Insurance Company. Splendid opportunity. Write E-15, The National Underwriter Co., 175 W. Jackson Blvd., Chicago 4, Ill., listing qualifications and desired salary.

CASUALTY UNDERWRITER Available

All lines. 27 yrs. of age—married. 7 yrs. exp. with stock-bureau co. Desires position with progressive company or agency in Florida. Address E-13, The National Underwriter Co., 175 W. Jackson Blvd., Chicago 4, Ill.

FIELD REPRESENTATIVE

Opening for man with good knowledge of Casualty business; bond exp. desirable but not ess. For Ind. Field work. Excellent opp. All replies confid. Mr. Wilson, Mgr., Mass. Bonding & Ins. Co., 324 Circle Tower Building, Indianapolis, Indiana.

SAFETY INSPECTOR

Our major stock casualty insurance company has an immediate opening for a Safety Inspector with casualty insurance experience. Territory will be in and around Detroit, Michigan. Car furnished and all travel expenses paid. Write or apply in person.

THE GREAT AMERICAN INDEMNITY CO.

Room 1007

309 West Jackson Blvd.

Chicago, Ill.

WANTED FIRE ENGINEER

for southeastern Michigan (including the Detroit area) by large multiple line company. Liberal salary and benefits. Expense allowance. Right man may earn opportunity to participate in executive development program.

Prefer Bureau experience. Age 25 to 35. All inquiries treated in strict confidence. Write D-94, The National Underwriter Co., 175 W. Jackson Blvd., Chicago 4, Illinois.

SPECIAL AGENT — OHIO

Leading multiple line agency mutual wants Special Agent for Ohio. Employment benefits include pension plan, hospitalization, and liberal life insurance. Outstanding opportunity for qualified man. Apply R. N. Hiett, Vice President, Indiana Lumbermens' Mutual Insurance Company, 429 North Pennsylvania Street, Indianapolis 9, Indiana.

SPECIAL AGENT WANTED

by Multiple Line Writing Company for Chicago and Cook County territory. Please state qualifications in first letter. All replies held strictly confidential. Box # E-14, The National Underwriter Co., 175 W. Jackson Blvd., Chicago 4, Ill.

Underwriters; Charles H. Gilbert, Woodman Accident general agent, Madison, Wis., president of the Wisconsin association; Edward O'Connor, managing director of Insurance Economics Society of America; John P. Hanna, managing director, Health & Accident Underwriters Conference, and Chester C. Elson, Mutual of Omaha, Waterloo, Ia.

There will be a general business meeting the afternoon of first day followed by a "mixer" at the Pabst Brewery, with the second day being devoted entirely to the sales congress. The \$5 registration fee includes a luncheon.

Continental Casualty Cites Claim File Record to Show Low Per Cent of Complaints

In the February-March issue of the *Continental Casualty Review* company figures are cited to illustrate the low number of complaints in comparison with claims filed. The company made a review of all its A&H divisions for the period January through November of 1954, during which time 347,765 claims were filed and only 285 complaints received, producing a ratio of complaints to claims of .08 of 1%.

For the industry as a whole, the article notes, the complaints received by state insurance departments amount to less than .2 of 1%, according to figures of the Joint Committee on Health Insurance. To get its figures, the company compared its claims with state insurance department complaints, and noted that the 285 "complaints" include a number of inquiries.

The article comments that much criticism has been made of the A&H business as to claim settlements, and the situation has been exaggerated out of all proportion.

R. L. McMillon Elected Head of Texas A&H Assn.

R. L. McMillon, B.M.A., Abilene, was elected president of Texas Assn. of A&H Underwriters at a meeting in Austin. Others elected are John Delaney, American General Life, Houston, and Herman Andrew, B.M.A., San Antonio, vice-presidents, and Leslie A. Ginn, B.M.A., Austin, secretary-treasurer.

Emerson Davis, Inter-Ocean, Dallas, reported on legislative matters. Mr. Davis also outlined plans for the new DISC. Charles K. Alexander, Great National Life, Dallas, reported on membership.

Slate Raymond Stevens to Head Detroit Group

The nominating committee of Detroit Assn. of A. & H. Underwriters has approved a slate of officers for its 1955 election. Heading the list as the nominee for president is Raymond Stevens, Michigan Life. Others on the slate are Leonard Maender, General American Life, for first vice-president; Will Pauli, Detroit Mutual, for second vice-president, and James Cooper, Loyalty group, for secretary-treasurer.

New Bureau Statistician

Bureau of A&H Underwriters has appointed David Robbins as statistician, a new position. He was analytical statistician with the army surgeon general's office from 1950. Prior to that he was with bureau of vital statistics and bureau of cancer control of New York state department of health.

New A&H Bureau Members

Midland Mutual Life and Sun Life of Canada have joined Bureau of A&H Underwriters. They bring the number of companies in the bureau to 97.

James Willford Heads Ohio A&H Association

James B. Willford, Toledo, was elected president of Ohio Assn. of A&H Underwriters at the state organization's annual meeting in Columbus. Melvin C. Meilke of Columbus, John Forrest of Akron, and William L. Allebach of Cleveland are vice-presidents. Homer Trantham of Columbus continues as executive secretary and counsel.

Parker B. Arnett of Youngstown, outgoing president, is chairman of the executive board, succeeding R. W. Bickelhaupt of Cincinnati. Other board members are W. B. McIntyre and Warren L. Schwochow, Columbus; Robert Kelly, Cleveland; Herman Harrison, Cincinnati; Leland Clegg, Youngstown; Edward H. Smith, Toledo.

In view of the association's sponsorship of two sales caravans that visited six Ohio cities last fall, the usual sales program that has been a feature of the annual meetings was omitted this year. Instead, the representatives of the Ohio body met with the Columbus association at a luncheon meeting. A. Stuart Payne, general agent for Security Mutual Life, Birmingham, was guest speaker. He discussed the coordinating of accident and sickness insurance selling with life insurance sales.

Bankers L. & C. Has New Group Cancer Rider

Bankers Life & Casualty has just brought out a special cancer rider to be issued in conjunction with group hospital medical-surgical programs. It covers expenses in connection with cancer on an unallocated basis up to \$5,000 without coinsurance, deductibles or other limiting factors.

Rates for the rider will be applied on a proportionate basis with existing group coverages.

AMA President Raps A&H Reinsurance Proposal

Care of persons who cannot be insured is the greatest single medical problem in this country, but the federal A&H reinsurance bill cannot solve it, Dr. Walter B. Martin, president of American Medical Assn., said at dedication ceremonies for the new headquarters of Los Angeles County Medical Assn.

Dr. Martin presented statistics to show the tremendous growth of the A&H business. "I'm convinced that our progress toward voluntary insurance has been so great that it won't be long before all insurables are actually insured by private companies," he said.

May Avoid Mich. A&H Probe

LANSING—Insurance people are hopeful that the senate business committee will not report favorably a resolution calling for investigation of A&H insurance operations.

The resolution apparently was the result of four cases involving a Greenville hospital. The controversy revolved around the "Gold Cross" policy of Metro Mutual of Detroit, whose president, L. W. Richardson, said at an informal hearing that the hospital has been fully paid in two of the cases, while in another the insured had entered the hospital for a specified complaint a month before eligibility under the contract, and in the fourth case the insured was shown to have falsified an application. Others speaking against the resolution included John Panchuk of Federal Life & Casualty

and W. O. Hildebrand, secretary-manager of Michigan Assn. of Insurance Agents.

Orsini Talks to Hospital Men

Louis A. Orsini, group manager of Bureau of A&H Underwriters, was speaker at a meeting of Connecticut chapter of American Assn. of Hospital Accountants at Waterbury, Conn. He spoke on insurance-hospital relations.

Mutual Agents Have Stellar Program at Dallas Midyear

(CONTINUED FROM PAGE 1)

"the industrious, the aggressive and the efficient, and that is as it should be."

The insurance business has had a remarkably good record and enjoys high public confidence, having had a voluntary preference for ethical practices, improvement, a competitive system and freedom for change. At the same time, Mr. Smith noted it has supported financial regulations that make it largely an open book and protect the public against insolvency. "This is not to say that an insurance company should be taken for granted merely because it holds a state license," he added, "but it is to say that intelligent people and intelligent agents are rarely surprised or fooled by the collapse of some insurance company. There are a thousand tests and there are few cases where it can be said that the agent who had placed his policyholders with an insolvent company hadn't taken a deliberate business risk for the imagined benefit of higher commissions or to place some poor or indifferent risks which would have been rejected by a competent agent or a competent underwriter."

By popular demand for a repeat performance, the second day's session was devoted to discussions of "agency problems" with the panel speakers being M. L. Landis, general counsel Central Mutual, chairman; Russell Davis, vice-president Lumbermens Mutual of Mansfield, and Bruce S. Stake, fire insurance manager of Thompson, Kincaide, Hill & Powers, St. Louis. A number of delegates took part in the discussion.

In his opening remarks Mr. Landis said, "We must think our way through our problems," outlining six essential steps in defining the problems and applicable facts. Mr. Stake called on the companies to place greater emphasis on the importance of agents, and Mr. Davis discussed the need for a meeting of minds of company executives and agents on a high level and the serious problem of getting agents to sell.

In the open discussion following, members of the audience stressed the problem involved in company appointments of unqualified producers, with some referring to the evils of mixed stock and mutual agencies. Others declared there is a greater divergence between agency mutuals and direct writers than between mutual and stock agents. Some argued, "We must overcome the smugness of some companies." Another offered the view, "We must sell insurance first rather than sell the agency system."

The final day's session included a panel discussion on "Agency Management," with the following agents taking part:

R. R. Lawrence, Dayton; H. L. Patterson; Omaha; Eldon M. Smith, Benton Harbor, Mich.; Fred Hartnett, Coral Gables, Fla., and Richard Long, Wichita Falls, Tex. Other speakers on the program were T. L. Osborn, vice-president American Manufacturers



Hayne P. Glover, Greenville, S. C., agent, left, newly elected chairman of Southern Agents Conference, greets Frank R. Bell Jr., Charleston, W. Va., agent, newly elected vice-chairman at the annual conference meeting at White Sulphur Springs, W. Va.

Mutual, on "Order Out of Chaos", with regard to the confusion in new dwelling coverages; and Travis T. Wallace, president Great American Reserve, on "Shoot the Moon", an inspirational talk for salesmen.

The Texas association, one of the convention hosts, held a brief meeting March 30 in advance of the hospitality hour and banquet.

U. S. Salvage Assn. Names Officers and Directors

Officers elected by directors of United States Salvage Assn. were Clifford G. Cornwell, president; Percy Chubb of Chubb & Son, vice-president; J. Paul Thompson, general manager; S. Donald Livingston, secretary; Romer F. Weyant, treasurer, and Bernard V. Burns, assistant treasurer.

Newly named as directors were Seymour L. Braman of Pacific Fire, Roy E. Carr of Providence Washington, William W. Cochran of National Re, Robert R. Dwelly of North America, Roy T. Haycock of Travelers Fire, Martin M. Higgins of Automobile, Woodward Melone of Fireman's Fund, Miles F. York of Atlantic Mutual and Frank B. Zeller of Royal.

Onderdonk Retiring as V-P of American

John C. Onderdonk is retiring April 1 as vice-president of American. He was given a luncheon at Newark by his fellow officers.

Mr. Onderdonk's insurance career, which started in 1911 with Metropolitan Casualty, includes local agency experience. In 1920 he became burglary claim adjuster for Norwich Union Indemnity, subsequently assuming charge of its burglary and glass department. He resigned in 1929 to become superintendent of the burglary department of Royal Indemnity and Eagle Indemnity and in 1930 left to become vice-president of Bankers Indemnity, affiliate of American. He was elected a vice-president of American in 1949.

Birmingham Fire Studies Move Due to Tax Proposal

Birmingham Fire directors have recommended the company study withdrawal from the state because of Gov. Folsom's proposed new taxes on premiums of out-of-state companies.

Vice-president H. Kelley Seibels said the company planned to go ahead with the study even though a legislative committee had dropped the proposed tax from 4% to 3%, because of the retaliatory laws of other states in which Alabama companies operate.

Mass. Court Enjoins Financed Automobile Coverage Arrangement

The Suffolk (Mass.) superior court has issued a permanent injunction to stop National Shawmut Bank of Boston from receiving premiums on financed automobile business from two insurers, Pacific National and Newfoundland American. Commissioner Humphreys had sought the injunction. The bank, insurers, and the Boston agency of O'Brien, Russell & Co., denied that the practice violated Massachusetts law but consented to the decree.

The charges of Humphreys were: In 1948 the bank, insurers and agency agreed that Pacific National would issue a master PHD policy on autos financed by Shawmut. Pacific National issued a master policy with certificates for car purchasers. Shawmut paid the premiums charged car buyers to the agency, which deposited them in Shawmut to the insurer's account. The agency acted as disbursing agent. Pacific National received 10% of earned premiums and the agency 5%. The agency paid expenses of investigating and adjusting claims and paid them. Newfoundland American received 5% of earned premiums. The latter was paid by the agency the remainder of earned premiums and then the company remitted them to Shawmut. Newfoundland American reinsured Pacific National for losses in excess of 80% of earned premiums up to 300%.

Newfoundland American, Humphreys further charged, is not licensed in Massachusetts.

Pacific National indicated it did not know of the agreement between Shawmut and Newfoundland American until last February when the bank wired that it has cancelled the reinsurance agreement. The bank stated in its defense that it was advised the agreement was legal but when it learned that Humphreys had ruled otherwise, it cancelled, though it did not admit the commissioner was correct.

Attorney General Fingold, who handled the case for Humphreys, said the action will prevent rebates to banks or insurers and will force insurance business to go through regularly licensed brokers.

Insurance Loss on Gas Blast to Reach \$200,000

A recent gas explosion of undetermined origin, killing five men at the Oak Park-River Forest, Ill., store of Wieboldt Stores department chain caused estimated property damage of \$75,000 on the building and \$50,000 on contents, which were insured to \$5,100,000 and \$19,300,000, respectively. Liability claims may exceed the property loss. Fortunately the blast occurred on a Sunday when the store was closed.

Four of the men killed and the one injured were installing an oven in the store's bakery for Faulds Oven & Equipment Co., Chicago. The other man killed was the Wieboldt night watchman. On a workmen's compensation basis the four deaths would total \$32,000 and an estimated \$3,500 or more for the injured workman, with a potential \$20,000 death claim under PL for the watchman. Or there could be four wrongful death claims at \$20,000 each, one death under WC and a BI claim of \$15,000 or more.

The explosion evidently did not occur within the oven as there was extensive damage in the affected area and on the third floor when the ex-

plosion vented itself up an adjacent elevator shaft, but the only person still living was working inside of the oven at that time. There was no fire involved. The entire building is equipped with an approved automatic sprinkler system and sprinkler piping in the explosion area was badly damaged. This was restored to service before the store opened at noon the next day. Also a private consulting engineering company inspected the building and found it structurally safe before the store opened.

Fla. Agents Meeting Scheduled for May 6-7

Florida Assn. of Insurance Agents has completed the program for its annual convention May 6-7 at the di-Lido Hotel, Miami Beach.

Charles W. Tye of Joseph Froggatt Co., New York, will talk on more profit through proper tax planning; Louis E. Woodbury, Wilmington, N. C., will discuss selling direct to combat direct selling; Commissioner Larson will bring the agents up to date on the status of 1955 legislation; Louis T. Bates, assistant agency vice-president of Gulf Life, will discuss the future of agents.

Maurice G. Herndon, Washington representative of National association, will speak on politics, taxes and insurance; W. Stephen Chandler, vice-president of Phoenix-Connecticut group, will have as his topic "Are You With It?"; Thomas O. Carlson, actuary of National Bureau of Casualty Underwriters, will explain casualty signposts; and Hugh C. Donovan, Jacksonville, will discuss the new dwelling forms.

The following will tell why they like special policies: Clarence Rauter, assistant manager of Interbureau Insurance Advisory Group, New York, comprehensive dwelling; Earl Trefry of Employers group, Atlanta, homeowners; Frank Chapman of Fireman's Fund group, Atlanta, special and broad forms; George Brussel, vice-president of Milton Spradlin, Tampa, will give his reasons for liking them all, and H. T. Shulenberger of Miami will explain "You Can Have 'Em All Because."

U.S.F.&G will sponsor a cocktail party and Joseph Weintraub of American Equity group a get-together jamboree the first night of the convention.

American-Associated Names Goetz at Houston

John A. Goetz has been appointed bond manager for American-Associated at Houston, replacing Clark Burrows who has resigned to enter the local agency field.

Mr. Goetz had been bond manager for Maryland Casualty at Houston since 1951. He entered insurance in 1935 in the home office bond department of U. S. F. & G., remaining there until he began navy duty in 1942. In 1946 he became bond special agent for the company.

Sanborn Named President of Underwriters Service

Underwriters Service Assn. has elected Earl R. Sanborn, Great American, as president to succeed C. G. Thro of Crum & Forster. Bert H. Aust, Hanover Fire, is vice-president, and Lyman McIntyre, Springfield F. & M., is secretary.

Peter Eriksen is manager of USA. He recently underwent an operation, but is now back on the job.

Placing Business in Unlicensed Insurers Draws Va. Fines

Compromise settlements totaling \$22,750 were accepted by the state corporation commission of Virginia from 22 licensed non-resident brokers charged with placing insurance on risks in Virginia in non-admitted insurers, including Preferred Fire of Topeka and Eagle Fire of New Jersey. The commission had issued show cause orders against the firms in January.

Preferred Fire paid \$1,250 and Eagle Fire \$6,250. Fines were assessed at the rate of \$250 for each policy issued.

Brokers fined were R. A. Corroon & Co. \$5,000; Johnson & Higgins \$2,750; Henry Sobel & Co. \$1,500; Huff Dreyer & Co. \$1,250; R. C. Rathbone & Son and Brown, Crosby & Co. \$1,750 each; Rollins Burdick Hunter Co., Chicago, \$2,750; Murray Vander Poel & Baker, W. C. Graham Co. and C. B. Blonder & Co. \$750 each; Fred S. James & Co., Schiff Terhune & Co. and Frederick W. Mezey, \$500 each.

Fined \$250 each were J. F. Inglis Co., Frenkel & Co., Alexander & Alexander of Baltimore, C. R. Black Jr., Reginald H. Squire; Ermine R. Edwards doing business as C. P. & D. Darlington; O'Brien, Russell & Co. of Boston, W. A. Alexander & Co. of Chicago, and Martin Scharf, doing business as Wolfson & Rifkin. Unless otherwise indicated the firms are of New York.

No Change in General Accident General Agency Setup in Southeast

The new branch office at Atlanta of General Accident, which is designed to develop Georgia, Florida, South Carolina and Alabama, will in no way change the relationship between General Accident and its general agents in the southeastern territory. Hurt & Quin and J. F. Lewis & Co. of Atlanta, Johnson & Johnson of Charleston, S. C., and Johnson, Overton & Co. of Birmingham, managing general agents for General Accident group, will continue to operate independently of the branch office.

Richard Anderson is manager at Atlanta for General Accident. He has been in insurance since 1936 when he started with U. S. Casualty. In 1940 he joined Century Indemnity as special agent in New Jersey, Delaware and part of Maryland. After war service he went back with Century, and in 1951 transferred to Charlotte. The following year he was placed in charge of the casualty department of Aetna Fire group at Atlanta.

War Risk Insurance Act Extension Is Requested

WASHINGTON—A five year extension of the war risk insurance act, due to expire Sept. 7, was urged by Clarence G. Morse, maritime administrator, before the merchant marine and fisheries subcommittee of the Senate interstate and foreign commerce committee.

Rates Revised for OL&T

OL&T bodily injury rates and minimum premiums for amusement parks and amusement devices have been revised by National Bureau, March 30 in all states except Oklahoma and Texas. In Texas rates for these types of risks will continue to be established on an individual risk basis. The changes are also effective March 30 in District of Columbia, Alaska and Puerto Rico.

This rate revision, first since 1950, will result in an approximate average

increase of 11% in the basic limits premiums. The changes reflect recent countrywide experience of insurers. Minimum premiums have been related more closely to the rates.

Pan American Plane Loss \$1.5 Million Plus

The hull of the Pan American World Airways stratoscruiser that ditched in the Pacific off the Oregon coast was valued at about \$1.5 million. Pan American is insured in U. S. Aviation Underwriters. Four persons were killed and 19 rescued. The plane went down after an engine ripped loose.

Royal Exchange Names Sleeper at Chicago

Royal Exchange group has advanced LeRoy Sleeper to office superintendent of the mid-western branch office in Chicago, with which he has been associated since 1934. In his new position he will assist Freeman C. Read, branch manager, and James M. O'Connor, assistant branch manager, in the general operation of the office.

Henry N. Smith Named N. Y. Department Counsel

Superintendent Holz of New York has appointed Henry N. Smith counsel to the department to serve in the New York City office. Mr. Smith is a career employee. He joined the department in 1931, and has served as a law investigator, examiner, senior attorney and associate attorney. Recently he has been chief of the legal bureau.

Recovery Men's Dinner

The annual dinner of the Recovery Men's Forum will be held May 5 in New York City. David Butterworth of Pacific Fire is chairman of the steering committee. Arrangements are under the direction of a dinner committee consisting of Floyd C. Pickett of Home, chairman, William M. Whitesell Jr. of General Adjustment Bureau and Joseph Balsamo of Northern, N. Y.

R. M. Ryan, assistant general manager of the Western Adjustment, will speak.

Mr. Whitesell, manager of the recovery division of GAB, is handling reservations.

Costello Is Honored

Walter S. Costello, who is retiring after 44 years with Royal Indemnity, was honored by Burglary & Plate Glass Assn. of New York at its executive committee meeting. Thomas G. Buckley of Sun Indemnity presented Mr. Costello a savings bond on behalf of the association.

Slack Joins Mass. Bonding

Leon B. Slack has joined Massachusetts Bonding at Indianapolis as superintendent of the bond department. He has been with American Surety for 30 years.

Large Type Bill Moves

North Carolina senate has passed and sent to the house a bill that would require insurance companies to print in 8 point type items exempted from coverage in fire policies.

Wrong Preferred Listed

The listing in the March 17 issue of federal income taxes for insurers licensed in New York by error showed Preferred of Michigan as having a tax of \$29,767. Preferred of Grand Rapids is not licensed in New York, and the company should have been Preferred Fire of Topeka.

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